Vol. I

TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1935

No. 655

C. H. ACKER, DOING BUSINESS AS C. H. ACKER & COMPANY, ET AL., APPELLANTS,

vs.

THE UNITED STATES OF AMERICA, HENRY A. WALLACE, SECRETARY OF AGRICULTURE, ET AL.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF ILLINOIS

FILED DECEMBER 23, 1935.

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1935

No. 655

C. H. ACKER, DOING BUSINESS AS C. H. ACKER & COMPANY, ET AL., APPELLANTS,

vs.

THE UNITED STATES OF AMERICA, HENRY A. WALLACE, SECRETARY OF AGRICULTURE, ET AL.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF ILLINOIS

VOL. I.

INDEX.

	Original	Print
Record from D. C. U. S., Northern Illinois	1	1
Caption (omitted in printing)	2	
Petition and complaint	4	1
Exhibit "A"—Arbitration agreement	38	29
Exhibit "B"—Arbitration award, 1923	43	33
Exhibit "B-1"—Present tariff	68	57
Exhibit "C"—Proceedings, findings of fact, conclusion and order of January 8, 1934, before Secretary of Agriculture	75	62
Exhibit "D"—Supplemental order of March 12, 1934	204	189
Order setting cause, etc.	212	195

JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., JANUARY 30, 1936.

	Original	Print
Record from D. C. U. S., Northern Illinois—Continued.		
Interlocutory injunction	215	195
Answer	219	197
Order granting leave to amend petition and complaint	235	209
Answer to amendment to petition and complaint	237	210
Narrative statement of evidence before Statutory Court	239	211
Appearances	240	211
Offers in evidence	241	211
Testimony of Earle D. Mudd	242	212
Stipulation re narrative statement of evidence	315	256
Order settling statement of evidence	316	257
Plaintiffs' Exhibits:		
No. 1—Statement showing volume of livestock handled by petitioners during four months ended April 30, 1934	318	259
No. 2—Statement of commissions, costs and profit or loss under present commission rates, as compared with rates under Secretary's order of March 12, 1934	325	266
No. 3—Statement showing application of Secretary's reasonable cost per head to volume of business handled during years 1932-1934	333	274
No. 4—Charts showing cost per head for years 1932-1934, as compared with commissions per head—under present and under Secretary's rates	336	277
No. 5—Charts showing cost per head for years 1932-1934 as compared with Secretary's reasonable cost per head	339	280
No. 6—Charts showing per cent of profit or loss under present rates as compared with per cent of profit or loss under Secretary's rates for years 1932-1934	342	283
No. 7—Charts showing owner's salaries plus profit (or less loss) under present rates as compared with Secretary's rates, 1932-1934	345	286
No. 8—Comparison of costs of operations, with actual commissions, and with commissions as per Secretary's order, showing profits or losses under both for year 1932	348	289
No. 9—Charts and table showing the salesman employed under present commission rates as compared with Secretary's ordered rates	350	291
No. 10—Statement showing that small volume firms have very little effect on market costs and do not influence level of rates	354	295
No. 11—Statement showing Secretary's reasonable cost per carlot as compared with petitioners, "Median", "Weighted Average", and "Bulk-Line" cost per carlot—1932	355	296

	Original	Print
Record from D. C. U. S., Northern Illinois—Continued.		
Narrative statement of evidence before Secretary of Agriculture in Bureau of Animal Industry Docket 402	356	297
Caption	357	297
Testimony of Michael Tuillaume	358	298
Fred R. Mitchell	363	301
O. T. Henkle	364	302
F. E. Mollin	373	308
Eugene M. Hughes	400	329
Gerald J. Svoboda	405	333
Andrew A. Olson	412	337
Michael J. Sheridan	413	338
V. G. Cranston	415	339
John T. Griffin	417	341
Gene McAdams	419	341
Herman Mack	433	351
Harold Summers	434	352
Herman W. Mack (recalled)	451	364
Roy A. Keys	452	365
Harold Summers (recalled)	455	367
W. C. Patterson	464	373
Gene McAdams (recalled)	477	382
F. R. Marshall	480	384
Joseph Bourke	494	393
John Swanson	502	397
James L. Merrion	522	410
Charles A. Mallory	558	433
Preston B. Unthank	575	444
Martin J. Brennan	580	447
L. Audrey Williams	584	449
Frank Marsch	596	456
E. H. Kuenster	601	459
L. A. Williams (recalled)	622	472
E. H. Kuenster (recalled)	625	473
C. O. Robinson	630	477
Gene McAdams (recalled)	639	482
L. A. Williams (recalled)	645	486
Levi Spencer	645	486
J. C. Ebersberger	668	500
Charles A. Dunbar	682	508
E. H. Kuenster (recalled)	747	552
M. E. Greenwald	753	556
Gene McAdams (recalled)	775	571
Wm. C. Young	783	576
Wm. F. O'Meara	792	581
David L. Swanson	811	593
Albert Fickler	841	611
Harold Summers (recalled)	863	624
Charles Dunbar (recalled)	867	626
Harry W. Williams	871	628

Record from D. C. U. S., Northern Illinois—Continued.
Narrative statement of evidence before Secretary of Agriculture in Bureau of Animal Industry Docket 402—Continued.
Testimony of—Continued.

	Original	Print
John J. Bachmann	887	637
James A. Strachan	918	656
J. R. McGlashan	981	706
Wm. B. Swiney	986	710
T. E. Swiney	1015	728
Charles M. Swiney	1026	736
Charles H. Boothroyd	1035	742
Thomas E. Swiney (recalled)	1051	753
T. S. Boothroyd	1065	764
E. G. Fulkerson	1086	764
Frank R. Supplee	1106	789
E. G. Fulkerson (recalled)	1107	790
Wm. T. McClelland	1109	791
W. J. O'Flynn	1110	792
Wm. G. McClelland (recalled)	1115	796
Frank R. Mullen	1123	802
Roy E. Murphy	1124	802
Frank R. Mullen (recalled)	1138	812
Fred J. Shorter	1150	820
Alfred C. Baker, Jr.	1159	826
F. J. Shorter (recalled)	1172	835
A. C. Baker (recalled)	1191	849
A. C. Baker, Jr. (recalled)	1192	846
E. A. Brotzman	1195	849
Edward J. Lawler	1222	868
P. T. Dolan	1246	885
W. A. Peterson	1264	897
Arthur L. Donehue	1273	903
E. L. Vaughan	1275	904
Henry Schroeder	1290	915
E. L. Vaughan (recalled)	1297	919
Eugene A. Woods	1319	933
A. Gilmore	1319	933
A. E. Holbert	1332	942
J. C. Eastes	1343	949
Luther W. Conover	1346	951
J. R. Clegg	1362	962
J. C. Eastes (recalled)	1364	963
M. B. Hugill	1371	967
S. Bruce Stafford	1371	968
Wm. M. Gentleman	1383	975
Ralph E. Gillogly	1392	981
A. M. Gentleman	1398	985
Francis M. Hatch	1405	989
R. H. Greene	1417	996
Lester Marion	1428	1002

	Original	Print
Record from D. C. U. S., Northern Illinois—Continued.		
Narrative statement of evidence before Secretary of Agriculture in Bureau of Animal Industry Docket 402—Continued.		
Testimony of—Continued.		
G. A. Benton	1431	1004
Paul A. Filler	1434	1006
Willis H. Brott	1437	1007
Montie Conklin	1438	1008
John P. Bowles (recalled)	1442	1011
G. A. Ryther	1445	1012
Dee R. Kendall	1465	1024
Charles Kelly	1466	1025
Harry McNair	1469	1027
Earle D. Mudd	1471	1028
Dr. Harry H. O'Neill	1554	1116
Howard M. Gore	1584	1136
Order settling statement of evidence	1607	1150
Stipulation as to narrative statement of evidence	1608	1150
Complainant Exhibit 45—Letter from Walters & Dunbar to Charles Schultz, March 30, 1933	1609	1151
Complainant Exhibit 61—Daily record of shipments by rail and truck, 1932	1610	1152
Respondent Exhibit 7—Diagram	1622	1160
Findings of fact and conclusions of law	1624	1161
Opinion, Barnes, J.	1627	1162
Separate opinion, Wilkerson, J.	1638	1170
Decree	1640	1171
Petition for appeal	1643	1172
Order allowing appeal, etc.	1646	1173
Assignments of error	1649	1174
Bond on appeal (omitted in printing)	1658	
Order substituting party defendant	1661	1178
Orders extending time (omitted in printing)	1663	
Stipulation as to application of rates prescribed by Secretary of Agriculture, etc.	1679	1179
Order re physical exhibits	1681	1179
Stipulated praecipe for transcript of record	1683	1180
Clerk's certificate (omitted in printing)	1688	
Citation (omitted in printing)	1689	
Statement of points to be relied upon and designation as to printing record	1691	1184

VOL. I

[fols. 1 & 2] [Caption omitted]

[fols. 3-5]

IN UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

In Equity. No. 13829

C. H. Acker, Doing Business as C. H. Acker and Company; J. M. Corrick, Fred Hatch and P. B. Unthank, a Partnership Doing Business as Adams, Corrick and Hatch; Alfred E. Adler and John G. Adler, a Partnership Doing Business as Adler Sons and Company; Alexander, Conover & Company, a Corporation; W. C. Allen, Harry W. Aller, Louis Armbrecht Commission Company, A. C. Baker, E. H. Baker, and F. L. Heyne, a Partnership Doing Business as Baker, Heyne and Company; Clarence N. Ball, C. S. Barry, Tom J. Barton and T. P. Looney, a Partnership Doing Business as Barton, Looney Company; H. L. Bell, G. A. Benton, Doing Business as Benton and Company Livestock Commission Merchants; Bowles Livestock Commission Company, a Corporation; F. J. Brennan, Doing Business as F. J. Brennan Company; Gideon Broberg, Willis H. Brott, Doing Business as Brott Livestock Commission Company; Geo. M. Brownson Doing Business as Geo. M. Brownson and Company; L. W. Budd, Doing Business as L. W. Budd and Company; Chas. L. (Abe) Burnett, Doing Business as Abe Burnett and Company; Walter M. Burrows, Maurice J. Callahan, Doing Business as Callahan Livestock Commission Company; Harry L. Carpenter, Central Livestock Commission Company, a Corporation; Eugene A. Clark, Doing Business as Clark, Bowles and Company; John Clay, Frank H. Connor, Alan F. Wilson and Chas. G. Smith, a Partnership Doing Business as John Clay and Company; N. W. Cochran, A. W. Henneberry and R. W. Wallace, a Partnership Doing Business as Cochran, Henneberry and Wallace, Conklin Brothers Commission Company, a Corporation; H. D. Copeland and Company, a Corporation; H. H. Daniel, William Daniel, David Degen and Jos. J. Amschler, a Partnership Doing Business as Degen and Amschler; P. T. Dolan and Hokan

Roll, a Partnership Doing Business as Dolan, Ludeman and Company; Edward F. Keefer, Doing Business as Doud and Keefer; P. E. Moore and E. A. Woods, a Partnership Doing Business as Drovers Commission Company; H. C. Dunbar, Doing Business as Dunbar, St. John [fol. 6] & Company; H. L. Dunning, Doing Business as H. L. Dunning and Company; E. H. Egan, Doing Business as E. Egan and Company; Warren S. Egan, Doing Business as Owen C. Egan and Company; J. L. Ettlinger, Doing Business as Ettlinger Livestock Commission Company; Evans Snider, Buel Commission Company, a Corporation; Filler, Wilson and McClelland, a Corporation; Geo. Foale and Edw. Foale, a Partnership Doing Business as Foale Brothers; Leonard S. Foster, R. C. Foster, B. G. Fosterson, Wm. Gentleman, Wm. M. Gentleman, A. M. Gentleman, C. F. Gentleman and G. J. Gentleman, a Partnership Doing Business as J. A. Frazier and Sons (in Joint Operation with Wm. Gentleman and Sons); C. F. Freeman, Doing Business as Fred Freeman; I. O. Fry, Felix Gehrmann, Wm. Gentleman, Wm. M. Gentleman, A. M. Gentleman, C. F. Gentleman and G. J. Gentleman, a Partnership Doing Business as Wm. Gentleman & Sons (Operating J. A. Frazier Sons); S. G. Gillogly, R. E. Gillogly, F. D. Gillogly and M. W. Gillogly, a Partnership Doing Business as Gillogly and Company; H. W. Williams and H. L. Johannesen, a Partnership Doing Business as Googins and Williams; Geo. J. Greenwood, Doing Business as Greenwood Commission Company; Charles A. Hafner, Doing Business as Hafner, Nixon Company; Wm. Haime and Geo. Reneker, a Partnership Doing Business as Haime and Reneker; Chas. E. Harding Company, a Corporation; C. W. Hart, Doing Business as C. W. Hart Commission Company; John A. Havey, Hefner Commission Company, a Corporation; Geo. F. Hogan, Doing Business as Geo. F. Hogan and Company; E. Holloway, P. A. Ogren, Tex Holbert and E. J. Andrews, a Partnership Doing Business as Holloway and Ogren; Frank M. Huffaker, Jr., H. H. Hutcheson, Doing Business as Huffman and Hutcheson; Ingwersen, Mosier and Ingwersen, Inc., a Corporation; Iowa Live Stock Commission Company, a Corporation; W. O. Jennings, Doing Business as W. O. Jennings and Company; Robert E. Johnson, Doing Business as Robert E.

Johnson Commission Company; Chris Jordan, Mike Tamble and John Permesang, a partnership doing business as Jordan, Tamble and Company; Edward Joyce, Samuel Keating, J. B. Keller, P. H. Keller and J. H. Keller, a Partnership Doing Business as J. B. Keller and Sons; Kennett Murray Company and B. F. Pierce, a Partnership, Doing Business as Kennett, Murray and Company; Lyman Keys, Doing Business as Lyman Keys Commission Company; Albert S. King, John Clay, Frank H. Connors, Alen F. Wilson and Chas. G. Smith, a Partnership Doing Business as C. A. Kleman; Dave Klopfer, E. Knettle, Doing Business as Knettle Brothers; E. H. Kuenster, Doing Business as Kuenster Live Stock Commission Company; John R. Lambright, Lyman A. Keys, and Wm. H. Huston, a Partnership Doing Business as Lambright, [fol. 7] Keys and Huston; Edward J. Lawler, Doing Business as Lawler Brothers and Company; Wm. J. Raff, Doing Business as John J. Lawler; Geo. H. Kelly, Doing Business as Lett and Kelly; McCausland, Hoag and Vaughan, a Corporation; C. A. McKelvey, Geo. J. McDonnell, Geo. E. Martin, W. A. Hanley and W. S. Burmister, a Partnership Doing Business as Martin Brothers and Company; Cyrus H. Martin, J. Lee Merrion and Russell Wilkins, a Partnership Doing Business as Merrion and Wilkins; Miller, White and Woods, a Corporation; B. F. Hubbird, Doing Business as Minteer, Hubbird and Company; C. H. Moberly, Moses E. Greenwald, Lee R. Hess and Arthur Ettlinger, a Partnership Doing Business as Moog and Greenwald; Frank R. Mullen, Doing Business as Mullen Commission Company; Stewart Mullen, A. R. Monroe, Chas. Murby, Wm. J. Murphy, Doing Business as Murphy Brothers; A. R. Jenkins, Doing Business as Murray and McDowell; Mutual Livestock Commission Company, a Corporation; Will J. Nalley, Doing Business as Nalley Commission Company; Joseph F. Nash, National Live Stock Commission Company, a Corporation; Simon Newhof, Chas. A. Hafner, Doing Business as Nixon Live Stock Commission Company; C. E. Nixon, Northwestern Live Stock Commission Company, a Corporation; Harry J. O'Conner, Doing Business as H. J. O'Conner & Son; Will H. Palmer, Doing Business as Silas Palmer & Sons; W. C. Patterson, Doing Business

as John Patterson and Son; W. A. Peterson and Wm. Turnbull, a Partnership Doing Business as Peterson, Turnbull and Company; Robert H. Pritchard, Doing Business as Pritchard Commission Company; John E. Quinn, Doing Business as Quinn Commission Company; Chas. R. Rice, Doing Business as Rice Brothers; Alex Rinderle, Doing Business as Alex Rinderle Company; W. P. Roach and J. B. Roach, a Partnership Doing Business as Roach Live Stock Commission Company; Chas. O. Robinson, Doing Business as Chas. O. Robinson and Company; Rosenbaum Brothers and Company, a Corporation; R. E. Compton and W. L. Compton, a Partnership Doing Business as St. John, Compton, Dunbar Company; Geo. Schrock, John P. Sarsfield and Joseph A. Sarsfield, a Partnership Doing Business as Sarsfield and Schrock Commission Company; A. P. Schmal, Henry Schroeder, Doing Business as Schroeder Live Stock Commission Company; F. W. Sheldon, Doing Business as Sheldon Commission Company; W. H. Sherwood and R. H. Sherwood, a Partnership Doing Business as Sherwood and Son; G. R. Sinclair, Doing Business as Sinclair Commission Company; R. E. Sinclair; John Smith and J. C. Eastes, a Partnership Doing Business as Wm. R. Smith and Son; L. Spencer, Doing Business as L. Spencer and Company; S. B. Stafford, Doing Business as Stafford Brothers; Standard Live Stock Commission Company, a [fol. 8] Corporation; Adrian F. Starrett, Jr., and Michael E. Peschong, a Partnership Doing Business as Starrett Live Stock Commission Company; Geo. F. Stephenson, Doing Business as Stephenson Commission Company, A. F. Steward, Doing Business as Steward and McIlhany; Stockmens Livestock Commission Company, a Corporation; J. E. Strader and J. L. Strader, a Partnership Doing Business as Strader Brothers; J. J. Sullivan and J. C. Sullivan, a Partnership Doing Business as Sullivan Commission Company; Joseph J. Sullivan, Alonzo Gilmore and Charles J. Castenholz, a Partnership Doing Business as Swanson, Gilmore and Castenholz; Wm. B. Swiney, Chas. M. Swiney and Thos. E. Swiney, a Partnership Doing Business as Swiney Brothers; H. O. Thompson, Doing Business as H. O. Thompson and Company; Guy L. Wheeler and Thos. K. Polley, a Partnership Doing Business as United Commission Company;

Geo. W. VonBerner, David C. Wagner, C. B. Waite, H. C. Walter and R. A. Walter, a Partnership Doing Business as Walter Brothers; C. A. Dunbar and Jas. H. Dunbar, a Partnership Doing Business as Walters and Dunbar; J. A. Waters, L. B. Werden, H. M. Wheeler, Wm. G. Norris, Doing Business as W. W. Wilson and Company; E. F. Woelfer, Doing Business as E. F. Woelfer and Company; Sam R. Wolfe, R. S. Whipple, Mrs. Kay Wood and Mary Ripple Wood, Co-executors of the Estate of Kay Wood, Deceased, Doing Business as Wood Brothers; Glen K. Wood; Will C. Wood, Doing Business as Will C. Wood and Company; Thos. J. Sinnard, Willard A. Roberts and Walter D. Mills, a Partnership Doing Business as Yancey-Sinnard and Roberts; W. E. Young, Doing Business as W. E. Young and Company, Petitioners and Plaintiffs,

vs.

United States of America, Henry A. Wallace, Secretary of Agriculture of United States of America; Homer S. Cummings, Attorney General of United States of America, and Dwight H. Green, United States District Attorney for the Northern District of Illinois, Eastern Division, Respondents and Defendants

Petition and Complaint—Filed Jan. 31, 1935

To the Honorable the Judges of the District Court of the United States for the Northern District of Illinois, Eastern Division:

I

1. The petitioners and plaintiffs are individuals, partnerships or corporations as appears from their several [fol. 9] names, all registered and doing business under the Packers and Stockyards Act, 1921 (Title 7, Chap. 9, U. S. Code), as market agencies engaged in the buying and/or selling in commerce of livestock on a commission basis at the Union Stock Yards, Chicago, Illinois, which yards has been ascertained by the Secretary of Agriculture to be a "stockyard" as defined in said Act and which has been posted as such.

(2) Each of the petitioners has his or its principal office or principal operating office in the judicial district and divi-

sion wherein this suit is brought; and the orders of the Secretary of Agriculture hereinafter complained of do not relate either to transportation or to a matter complained of before the Secretary of Agriculture, but arose out of and upon the initiation of the said Secretary. Further, the orders hereinafter complained of were not made upon the petition of any party but arose out of and upon the initiation of the Secretary of Agriculture and the subject matter of said orders arose in the division and district wherein this suit is brought.

(3) The United States of America; Henry A. Wallace, Secretary of Agriculture; Homer S. Cummings, Attorney General; and Dwight H. Green, United States District Attorney for the Northern District of Illinois, are made respondents and defendants in this action pursuant to the provisions of said Packers and Stockyards Act, 1921; the Commerce Court Act (36 Stat. at Large 539, approved June 18, 1910); and the District Court Jurisdictional Act, a part of the Deficiencies Appropriation Act (38 Stat. at Large 219, 221) approved October 22, 1913; and amendments thereof. The jurisdiction of this Court arises from said statutes and laws; and also because this is a suit of a civil nature wherein the matter in controversy exceeds the sum or value of Three Thousand Dollars, exclusive of interests and costs, and arises under the Constitution or laws [fol. 10] of the United States, the correct decision of this suit depending, in whole or in part, upon the construction and application of the Constitution of the United States, particularly the Fifth Amendment thereof.

(4) The petitioners bring this petition in equity against the defendants for the purpose of suspending, enjoining, restraining and annulling that certain purported order of said Henry A. Wallace, Secretary of Agriculture of the United States (hereinafter called the Secretary) dated the 8th day of January, 1934, and that certain purported supplemental order dated March 12, 1934, in a proceeding pending before said Secretary entitled "Secretary of Agriculture v. C. H. Acker, doing business as C. H. Acker & Company, et al.", Bureau of Animal Industry Docket 402, instituted under the Packers and Stockyards Act, 1921. Said purported orders are arbitrary, capricious and unreasonable, and without and contrary to evidence adduced

at the hearing hereinafter referred to. Said orders are confiscatory of the property and of the business of the petitioners; and if put into effect, as the said Secretary is determined and threatens to do, will deprive petitioners of their property without due process of law in violation of the Fifth Amendment of the Constitution of the United States.

(5) Since the year 1865, there has existed in Chicago, Illinois, stockyards, commonly known as Chicago Union Stock Yards, to which producers and shippers of live stock send cattle, hogs, sheep, goats, mules and horses for sale. It is the primary market for the chief live stock producing sections of the United States. Its geographical location midway between the live stock producing sections and the meat consuming sections of the United States and the large volume of business transacted therein cause it to be regarded by the live stock industry as the basic market for live stock in the United States, if not for the world. The prices prevailing at the market of Chicago Union Stock [fol. 11] Yards establish and affect the price of live stock throughout the United States and throughout the world. Shippers to the Chicago Union Stock Yards reside in and ship from forty-five states of the Union.

(6) After the enactment of the Packers and Stockyards Act, 1921, the Chicago Live Stock Exchange (a trade association whose members comprise commission merchants and other market agencies), and all market agencies, members thereof, including some or all of the petitioners, agreed with the then Secretary of Agriculture that in lieu of the formal procedure and hearing provided for by the Packers and Stockyards Act, 1921, the entire subject matter and charges in a certain complaint by American National Live Stock Association and others against the Chicago Live Stock Exchange and others might be investigated by G. N. Dagger, in charge of the Division of Rates and Charges of said Packers and Stockyards administration, and Howard M. Gore, in charge of the Trade Practice Division of said Packers and Stockyards Administration, with full authority in said G. N. Dagger and Howard M. Gore as arbitrators, to finally adjust and determine the issues raised in said complaint. It was further agreed that the rates and charges and practices found to be just and reasonable by said arbi-

trators and recommended by them would be adopted by the Chicago Live Stock Exchange and the members thereof upon approval by the Secretary of Agriculture. Pursuant to said arbitration agreement, a copy of which is hereto attached, marked Exhibit A and made a part hereof, and after lengthy investigation and hearing, a schedule of rates and charges and practices was prescribed and found by said arbitrators, approved by the then Secretary of Agriculture and adopted by the Chicago Live Stock Exchange and the members thereof. A copy of said award and the schedule of rates, charges and practices so established and prescribed are attached hereto marked Exhibit B and B1 [fol. 12] and made a part hereof. Said schedule of rates, charges and practices has been in effect since the fifteenth day of September, 1923, and the petitioners and others similarly situated have, since that date, adopted and followed and used the said schedule. The said tariff or schedule so recommended, prescribed and adopted has remained in effect without substantial alteration since September, 1923. The rates, charges and practices so prescribed and adopted have not been utterly and entirely confiscatory of the petitioners' property, and the petitioners have been able to exist and to do business under them. Under said schedule of 1923, adopted in a period of economic distress, substantially all of the petitioners operated at a loss during 1933 despite material reductions in salaries and regardless of other substantial economies.

(7) On September 23, 1932, the then acting Secretary of Agriculture entered an order of inquiry and notice of hearing against the petitioners and others wherein it was directed that an inquiry be made for the purpose of determining the lawfulness of any and all rates and charges of the petitioners and of any rule, regulation or practice affecting the same, or the rendering of any stockyard service without making any charge therefor. Said order and notice further provided that a hearing would be held before an Examiner designated in respect thereto in Chicago, Illinois. A hearing was subsequently held beginning on May 15, 1933, before John C. Brooke, an examiner, purporting to act under and by the authority of the Secretary. Said hearing was subsequently postponed to May 26, 1933; proceeded from then until August 18, 1933, at which time it was adjourned to be resumed in Washington, D. C.; and was finally

adjourned on November 7, 1933. Oral argument was had on December 13, 1933, before the Secretary.

(8) On the 8th day of January, 1934, the Secretary executed and issued his Proceedings, Findings of Fact, Conclusion and Order (herein referred to as "Order") which said [fol. 13] Order is attached hereto, marked Exhibit C and made a part hereof, and which said Order is by this action sought to be suspended, enjoined, restrained and annulled for the reasons set forth hereinafter. By said Order of January 8, 1934, particularly by Paragraph 169 thereof, a schedule of purported reasonable rates, charges and classifications were prescribed and it was ordered that the rates, charges and classifications so prescribed should become effective thirty (30) days thereafter.

(9) On February 7, 1934, the petitioners filed a petition for rehearing alleging, in substance, that the schedule of rates and charges prescribed in the Secretary's Order would cause reductions in revenues which would make it impossible for the petitioners to pay necessary operating expenses; that there have been increases in expenses resulting from the operation of the National Recovery Act and the Agricultural Adjustment Act; that the schedule of rates and charges as prescribed in said Order of January 8, 1934, were not related to the cost of rendering service with respect to the different species and classifications thereof; that the petitioners desired to show that draft is a more equitable basis than consignment for the assessment of rates and charges; that the petitioners desired to show that the prescribed rates were not consistent with the level of cost or the trend of cost; that under the rates and charges in effect during 1933 substantially all of the petitioners had operated at a loss; that the rates prescribed by said order would not permit the restoring of salaries to the levels desired by the administration; and that the rates prescribed would necessitate throwing out of employment a large number of people; that the petitioners desired to prove that the Chicago market and the petitioners were efficient in the handling and selling of live stock in 1933 and 1934; that the conditions which prevailed during 1933 constituted a greater change than had occurred in any twelve months period prior thereto. Said petition for rehearing [fol. 14] was denied on the 12th day of March, 1934. By

the same order denying the petition for rehearing the schedule of rates, charges and classification of the Order of January 8, 1934, was slightly modified. The Order of March 12, 1934 (herein referred to as Supplemental Order), containing the modified tariff or schedule of rates, charges and classification is attached hereto marked Exhibit D and made a part hereof. By orders entered on the 23rd day of January, 1934, and by subsequent like orders, the Secretary ordered that the effective date of the Order of January 8, 1934, and the Supplemental Order issued March 12, 1934, be postponed to April 20, 1934.

(10) On April 9, 1934, the petitioners and others filed an Amended Petition for Rehearing alleging, among other things, that the rates and charges prescribed in said Order and said Supplemental Order would create a net reduction of twenty-five per cent of gross income as compared with income derived from the tariff rates and charges of 1923 declared to be unreasonable; that such reduction in income would be confiscatory for the reason, among others, that the income to be produced by the schedules of said Order and said Supplemental Order would not produce gross income sufficient to pay the usual and necessary costs of doing business; that the said Order and said Supplemental Order and the schedules thereof were based on findings for the years 1931 and 1932, while during the years 1933 and 1934 decided and profound economic changes have occurred adversely affecting the market agencies at Chicago; that the record and figures for the years 1931 and 1932 afforded no sufficient basis for the orders and schedules of the Secretary; that legislation of Congress and the rulings and activities of Administrative agencies of the Government, particularly the Agricultural Adjustment Administration, brought about drastic reduction in the production and mar- [fol. 15] keting of livestock, particularly hogs. Said Amended Petition for Rehearing was denied by the Secretary on April 12, 1934.

(11) The Secretary is determined and is threatening to enforce said Order and Supplemental Order herein charged to be unreasonable, arbitrary, and confiscatory. Heavy penalties and forfeitures are provided by the Packers and Stockyards Act, 1921, for failure to obey the orders of rates and charges of the Secretary, however arbitrary, unreasonable or confiscatory such orders may be. And the Dis-

trict Attorney for this District under the direction of the Attorney General has cast upon him the duty to prosecute for the recovery of forfeitures.

II

(12) The Chicago Union Stock Yards is a primary market and a market of last resort. It occupies a strategic and advantageous geographical and transportational position and the public market conducted thereat by the market agencies thereof is the basic live stock market of the United States. By reason of its position and proximity to the largest packing companies of the world, the market agencies of the Chicago Union Stock Yards are enabled to render invaluable service to producers and shippers of live stock and to readily and at all times convert live stock into cash. The services of the petitioners as market agencies of said Yards are indispensable and invaluable to the agricultural industry of the United States in furnishing a market for, and necessary service to, the producers of live stock and in distributing and selling live stock to agencies to prepare such live stock for human consumption or to live stock raisers and breeders for further production.

(13) Roughly one-half of the hogs and one-third of the cattle and sheep marketed in central markets within the [fol. 16] Chicago territory pass through the Chicago Union Stock Yards and are sold by the petitioners and others similarly situated.

(14) Upon the arrival of live stock at the Chicago Union Stock Yards, the operating company of the Stock Yards unloads the cars or trucks and furnish the necessary feed, charges for which are billed to customers in care of the petitioners. Except in the case of sheep, the petitioners make their own deliveries to pens assigned to them. The petitioners are commission merchants or agents who grade the live stock and sell the same for the owners or in some instances buy for breeders or for those engaged in the fattening of live stock. To conduct the business of the petitioners; skilled and experienced salesmen are required. Yardmen, stenographers, and office workers perform skilled manual labor or difficult clerical duties. Reference is made to paragraphs 45 to 71, both inclusive, of the Secretary's Proceedings, Findings of Fact, Conclusion and Order (Exhibit C hereto) for the Secretary's findings and discussion of the services rendered by the petitioners.

(15) The petitioners are either individuals, partnerships or corporations. In the case of the latter they are not the ordinary corporations with a great plurality of owners and absentee stockholders, but like the individual and partnership concerns, the owners are the directing heads and themselves render the services of buying and selling; advise customers as to matters of policy in purchasing, feeding and selling; prepare market reports, and travel among their clients. Primarily the income of the petitioners, whether individuals, partnerships, or corporations is dependent upon and ascribed to the personal activities of the owners.

(16) The selling of live stock on a commission basis requires skill and judgment in the evaluation of price factors, and in the grading and classification of live stock. Knowledge of market conditions, of supply and demand, and the ability to exercise a judgment as to trends and future con- [fol. 17] ditions are essential. The salesmen of the petitioners, and the petitioners themselves, as entrepreneurs, render services which are essentially personal and professional.

(17) The amount of capital invested and employed by petitioners in their respective businesses, while small, consists mainly in investments of furniture and equipment; and the business is essentially a cash one. Nevertheless, the market agencies must give large bonds, as required by statutes and regulations of the Secretary. The bonding companies require the personal guarantee of the stockholders or owners.

(18) The principal item of cost of the petitioners' respective businesses is that of salesmens' salary and/or commissions. Salesmen, because of the personal and professional character of their services, because of the skill and judgment required of them, and because of clientele following which they possess, demand and are entitled to compensation commensurate with the nature of their skill, judgment, responsibilities and services. Many of the petitioner-owners act as salesmen.

(19) The Chicago Livestock Exchange is a trade association maintained by the petitioners and other market agencies to promote the welfare of its members and to promulgate and enforce rules and practices.

(20) The service and business of the market agencies at Chicago Union Stock Yards is a highly competitive one. The petitioners do not enjoy a monopoly. Any shipper may avail himself either of the services of the petitioners, known as "old line" commission firms, or of co-operative commission agencies. In addition, the shipper or producer may, if he desires, offer his live stock for sale in person, the facilities of the market center for receiving, caring for and making delivery of live stock being available to him. Many and increasing sales and volume of sales are made by the [fol. 18] shippers and producers directly to meat packers who send agents to the live stock raising areas for the purpose of buying cattle, calves, sheep and hogs. There are at least six other central stockyards and live stock markets and innumerable packer concentration stations in the Middle West. The producer and shipper is thus offered a choice of methods of selling his live stock and the compensation that he shall pay therefor.

(21) The petitioners must at all times and during any market day of the year be ready to convert arriving live stock into cash, and on the same or the following day to pay the producer or shipper for his consignment. It is, therefore, necessary that the petitioners acting as salesmen or managers, or their employed salesmen, their yardmen and clerical staffs be on duty continuously, regardless of seasonal changes in business, changes in volume on account of weather, market conditions, or any other factor. Salesmen particularly must be employed by the year. The business of the petitioners is not and cannot be adapted to nor conducted as a piece-work business in the calculation of costs or in the hiring of employees.

III

(22) The said Order and said Supplemental Order finds and concludes (Par. 168) that the petitioners' rates and charges adopted in 1923 upon arbitration, and approved by the then Secretary of Agriculture, and since that time continuously in effect, are unreasonable and unjustly discriminatory. A tariff of rates held by the Secretary to be "just and reasonable" is then scheduled. Said Order and said Supplemental Order and the schedule of rates, charges and practices therein and thereby prescribed is and are null and void and unlawful. Said prescribed tariff of rates,

charges and practices is unreasonable, unjust and dis-
[fol. 19] criminatory against the petitioners. Said rates, charges and practices of said schedule were unjustly, unreasonably, capriciously and arbitrarily determined; are contrary to the evidence and without evidence upon which they are purported to be based; and were unreasonably, arbitrarily and capriciously arrived at by the "guess" method rather than by any well-known and well-recognized statistical method or principle,—such as the median method, the modal method, the bulk-line method, the market average method, or percentage deviations from said methods.

(23) The conclusions and findings contained in said Order and in said Supplemental Order and the schedule of rates, charges, and practices purported to be based thereon are arbitrary, erroneous, and do not constitute a statement of just, reasonable, and nondiscriminatory rates and charges as required by said Packers and Stockyards Act, 1921, in that they are predicated upon findings of fact made without evidence and contrary to all the evidence in the record and in that said conclusions, findings, and schedule of rates, charges, and practices were arbitrarily, capriciously, and erroneously determined,—all because of the following particulars, among others:

(a) The rates, charges and practices prescribed by the said Order and said Supplemental Order were not based upon any well known or well recognized statistical method or principle such as the median method, the modal method, the bulk line method, the market average method or percentage deviations from said methods; but, on the contrary, were unreasonably, arbitrarily and capriciously evolved by guess and supposition. The findings of the Secretary as to reasonable costs set up a standard of efficiency and cost which, because of the conditions and factors obtaining in the business of the petitioners as set forth in Section II of this petition, cannot be attained or approximated. The reasonable costs which the Secretary finds as a basis for
[fol. 20] the rates prescribed by him as compared with well-recognized statistical methods of arriving at the same costs are shown in the following table, in which there is taken the cost per carload lots of single-ownership straight-species cars received by all Chicago Live Stock Exchange firms for the year 1932:

Costs Per Carload Lots of All Chicago Live Stock Exchange Firms, 1932

Straight Cars—Single Ownership

	Costs Found Reasonable by Secretary	Median Costs	Weighted average Costs	66-2/3% Bulk-Line Costs	No. of Firms Below Secretary's Costs	Aggregate No. of cars handled by such firms
Cattle and Calves	$11.41	$22.78	$20.76	$22.24	3 out of 95	130 out of 46,016
Hogs	11.99	17.64	17.57	18.91	3 out of 95	500 out of 14,400
Sheep	11.15	15.42	17.46	17.58	10 out of 67	56 out of 7,511

In the foregoing table, the reasonable costs found by the Secretary per head of the various species of live stock has been multiplied by the weighted average of the number of such species contained in a carload,—26.56 in the case of cattle and calves; 90.65 in the case of hogs; and 22.9 in the case of sheep, all as is shown by the evidence in the record. A straight car is one containing only a single species of live stock; single ownership means that each head in a carload is consigned by the same shipper. The costs given above for the sale of straight cars of single ownership are substantially less and such cars are more economically handled than arrivals in cars of plural ownership, mixed cars of single or plural ownership, or arrivals by motor truck.

(b) The Secretary had before him no cost figures whatever covering calves alone, but only cattle and calves; yet he arbitrarily and unreasonably made a separate schedule of rates and charges for calves and a separate schedule of rates and charges for cattle.

(c) The Secretary found that the reasonable cost of salesmanship in selling cattle and calves was 16.67 cents. In making such finding, the Secretary arbitrarily and erroneously, and without foundation, set up a supersalesman, gave no consideration to the skill, judgment and experience which a salesman must possess, and failed to consider that [fol. 21] salesmen must be employed by the year and that enough salesmen must be employed at all times to meet peak market days. In 1932, the actual average cost of salesmen's salaries to the petitioners for the sale per head of cattle and calves was 40.23 cents. In the case of hogs, the salesmanship salary found to be reasonable by the Secretary was 4.14 cents. The actual average cost in 1932 to the petitioners was 9.3 cents. In the case of sheep, the comparison is as 1.48 cents is to 3.5 cents. The same unreasonableness and arbitrariness obtains as to every item of cost and as to every species of live stock sold.

(d) The Secretary classified cattle and swine into grades dependent upon weight, and prescribed rates and charges for each weight classification. Such classification and graduation is arbitrary and unreasonable, and without foundation in the record, and without evidence to show that a variation in weight causes a difference in the costs of selling or other necessary handling and service.

(e) The Secretary arbitrarily and unreasonably and without consideration of the record based his rates and charges for the selling of live stock upon the consignment basis rather than upon the draft basis. Sales of live stock are made by drafts, the number of animals in one consignment going over the scales at one time. One consignment may and frequently does consist of several drafts, thereby materially and substantially increasing costs and charges, which increased costs and charges are not recognized by said Order and Supplemental Order and were disregarded in the making of the same.

(f) The schedule of rates and charges of said Order and said Supplemental Order is arbitrary and unreasonable in that there is no showing in the record and no foundation to show that there is or would be a sufficient volume of business in the sale of consignments in small package brackets to equalize losses in large package brackets.

[fol. 22] (g) The Secretary arbitrarily and unreasonably and without evidence and against the evidence, found that it is reasonable to associate a salesmanship performance of 27,000 head or 1,000 cars of cattle and calves with a salary of $4500. The number of salesmen employed in 1932 in the selling of cattle and calves was 217, with an average annual salary in 1932 of $5,608.08. Their average performance during said year was 10,584 head per salesman. The actual average cost for salesmen in said year was 40.23 cents per head of cattle or calves compared with 16.67 cents found to be reasonable by the Secretary. According to the calculations and findings of the Secretary, the salesman at the said Chicago Stock Yards are but 39.2% efficient from a performance standpoint and receive $1108.08 on the average more than the salary considered reasonable by the Secretary if they had sold more than two and a half times as many cattle and calves as they did sell. Of the petitioner's selling cattle and calves, only two had an average selling by salesmen as high as that required for efficiency by the Secretary. These two petitioners paid an average salesmen's salary of $7,989.49 as against $4500.00 considered reasonable by the Secretary.

(h) The findings, conclusions and charges of the Secretary are arbitrary and unreasonable in that the consid-

eration of the cost experience of only two years is insufficient to justify the findings, conclusions, rates and charges made and fixed.

(i) The findings, conclusions, rates, charges and practices made and prescribed in said Order and said Supplemental Order are arbitrary and unreasonable in that the record does not disclose any evidence of wasteful, extravagant, unnecessary or exorbitant expenses; but on the contrary, shows that the petitioners were and are cautious and acted upon sound business judgment in incurring expenses and costs.

(j) The Secretary gave no consideration to the fact that buyers of live stock representing meat packers are highly [fol. 23] skilled and highly paid experts and that live stock growers must be equally well represented on the selling market in order that the best prices possible may be obtained for their produce, and that live stock buyers representing meat packers receive on the average higher salaries than those paid the salesmen of the petitioners.

(k) No finding and no rate has been provided by the Secretary for handling "seconds" other than the rate for the handling of fresh cattle, calves, hogs and sheep. It has been customary on the Chicago market to charge approximately one-half the rate where live stock is resold on the market. The costs indicate that the service rendered is less expensive in the case of "seconds" than in the case of fresh live stock.

(l) The Secretary arbitrarily and unreasonably considered reimbursement to cover management and to cover uninsurable risks to be profit. These items should have been included and classified as operating expenses. The findings thus made by the Secretary do not purport to allow to the entrepreneur salesmen and managers any pure profit whatsoever. The Secretary gave undue consideration to the element of cost.

(m) The rates, charges, and practices prescribed by said Order and said Supplemental Order are unreasonable and arbitrary and unreasonably and arbitrarily arrived at since if said rates, charges and practices are put into effect and enforced, it will require the petitioners to operate their respective businesses at less than cost.

(n) The Secretary arbitrarily and unreasonably denied the petitioners' petition for rehearing and amended petition for rehearing, wherein the petitioners sought to show, among other things, that under the present rates, losses are incurred, to-wit, $298,536 in 1932 and that the proposed rates would cause a further reduction in income of 25.47%.

(o) The Secretary arbitrarily and unreasonably failed to take into account and to give heed to changed economic conditions, diminishing volume of live stock receipts, and increased percentage of direct consignments to packers.

[fol. 24] (p) The Secretary arbitrarily and unreasonably and without evidence in the record, and contrary to fact, prescribed in said Order and said Supplemental Order a different rate per head for the sale of consignments of varying sizes. The Secretary arbitrarily and unreasonably refused proffer of evidence as to the time and cost elements in selling and in handling varying size packages for sale.

(q) The said Order and said Supplemental Order do not take into consideration the increased costs of selling and handling of consignments of plural ownership or consignments of carlots of mixed species or both. The findings, rates, charges, and practices prescribed by said Order and said Supplemental Order are arbitrary and unreasonable and were arbitrarily and unreasonably arrived at because no principle, rule or method was used in determining items of cost, total costs or rates, or unit costs and unit rates. Instead of following a very specific statistical method or procedure of experience, the Secretary has arbitrarily and unreasonably and capriciously imposed his personal approximations and suppositions endeavoring to reduce and regulate the businesses of the petitioners to a standard of proficiency and efficiency not obtained or obtainable.

(r) The Secretary acted arbitrarily and unreasonably and beyond the scope of the authority vested in him by the Packers and Stockyards Act of 1921 in that his findings as to reasonable costs and as to each item thereof and rates based thereon are, in effect, a management of the business of the petitioners and the imposition of the personal judgment of the Secretary for that of the owners and managers of the petitioners and an attempt legis-

latively to revise rather than administratively to regulate an industry.

[fol. 25] IV

(24) The present rates, charges and practices of the petitioners were fixed and determined as fair and reasonable pursuant to the arbitration agreement hereinbefore referred to and attached hereto as Exhibit "A". The said rates and charges appear in the arbitration award attached hereto as Exhibit "B". Said rates, charges and practices were approved by the then Secretary of Agriculture and have, since their going into effect on September 15, 1923, remained continuously in effect without substantial amendment or modification.

(25) The present rates, charges and practices of the petitioners, prescribed and adopted by said arbitration award of 1923, and approved by the then Secretary of Agriculture, have not, during the ten or more years during which said rates, charges and practices have been in effect, been wholly confiscatory. Nevertheless, during the years 1932 and 1933 substantially all of the petitioners have conducted their respective businesses at a loss. For the year 1932, the aggregate actual selling costs of the petitioners exceeded the actual selling commissions for the same period by almost $300,000. The respective businesses of the petitioners have been and are conducted efficiently and economically during all of the times herein referred to; and since 1931 material reductions in salaries and other substantial economies have been made.

(26) The present rates and charges of the petitioners, as aforesaid, are not in excess of fair and reasonable rates, and the said rates and charges and all rules, regulations or practices affecting the same, or permitting the rendering of any stockyard service without making a lawful charge therefor, are lawful, fair and not discriminatory.

(27) The rates, charges and practices prescribed by said Order and said Supplemental Order, if permitted to be- [fol. 26] come effective, and if enforced, will deprive the petitioners of their property and business without due process of law, and will deny to the petitioners the equal protection of the laws in violation of their rights under the Constitution of the United States in the following particulars, among others:

(a) The gross, actual and aggregate selling commissions of the petitioners in 1932 were $298,536 less than the actual and aggregate selling costs of the petitioners for the same period. The actual and aggregate selling costs amounted to $3,122,908, while the gross, actual and aggregate selling commissions amounted to $2,824,372. Had the rates, charges and practices prescribed by said Order and said Supplemental Order been in effect during the year 1932, the gross, actual and aggregate selling commissions would have amounted to $2,105,035 as against the cost figure of $3,122,908, resulting in an aggregate loss to the petitioners of $1,017,873, thereby increasing the aggregate losses actually suffered by the petitioners by the sum of $719,337.

(b) Under the present effective rates prescribed by the said arbitration award as aforesaid, the petitioners in 1932 made an aggregate profit in the sale of sheep of $9,814. During the same period the aggregate loss of the petitioners in the sale of hogs was $2,401, and in the sale of cattle and calves $305,949. Under the confiscatory rates, charges and practices prescribed by the Secretary under the said Order and Supplemental Order, the aggregate losses of petitioners in respect to the sale of cattle and calves, if said rates were applied to the 1932 business of the petitioners, would be increased by $421,684, the losses in respect to hogs would have been increased $256,350; and the profit of $9,814 upon the aggregate and actual selling costs of the petitioners of $220,543 in respect to sheep would have been changed into an aggregate loss of $31,489.

(c) The rates, charges and practices prescribed by said Order and said Supplemental Order, if applied to the ag-
[fol. 27] gregate business of the petitioners in 1932, would have caused a reduction of 25.47% in the gross actual selling commissions for that year and would have resulted in a loss of 32.59% compared with the loss of 9.56% actually suffered by the rates now and in 1932 in force.

(d) The actual aggregate selling cost figures and conclusions based thereon, recited in the preceding sub-paragraphs numbered (a) to (c), inclusive, are the costs as figured by the petitioners. The Secretary, in his said Order and said Supplemental Order, holds and finds said costs to be unreasonably high. The record before said Secretary, upon which his Proceedings, Findings of Fact, Conclusion and

Order of January 8, 1934, and his Supplemental Order of March 12, 1934, purport to be based, shows that the costs figured by the Secretary to be reasonable would have been $1,461,394 less in 1932 than the actual and aggregate cost for 1932 of $3,122,908, as calculated by the petitioners. Upon the basis of cost considered reasonable by the Secretary, the petitioners in 1932 are deemed to have operated their businesses at twice the necessary cost.

(e) The rates and charges ordered into effect by said Order and said Supplemental Order are individually and severally confiscatory as applied separately to cattle and calves, swine, and sheep or goats; and each and all of said rates will fail to yield to the petitioners and to each petitioner a fair and compensatory return for stockyard services rendered by the petitioners and by each petitioner, or a return commensurate with the value of the services rendered; and will not reimburse to the petitioners the actual operating expenses nor the expenses held to be reasonable by the Secretary, incurred in the rendition of such services.

(f) The rates, charges and practices prescribed by said Order and said Supplemental Order are upon the consignment basis, a consignment, for the purpose of assessing sell- [fol. 28] ing charges, being defined as all the live stock of one species delivered in the name of one person, to one market agency, to be offered for sale during the trading hours of one day. Said Order and said Supplemental Order are confiscatory in that the rates and charges are not founded upon the draft basis, draft being defined in said Order and said Supplemental Order as all those animals in one consignment weighed as a single sales classification. Sales of live stock are made by drafts, and one consignment may consist of several drafts, thereby materially and substantially increasing costs and charges, which increased costs and charges are not recognized by said Order and said Supplemental Order.

(g) The arbitrary, capricious and unreasonable action of the Secretary in denying the petition and supplemental petition for re-hearing, wherein the petitioners sought to show that the rates, charges and practices prescribed by said Order and said Supplemental Order would leave to the petitioners the alternative of conducting their respective businesses at a loss, of going out of business, or of subjecting

themselves to heavy penalties and forfeitures, was a confiscation and deprivation of the property and businesses of the petitioners, severally and individually, without due process of law.

(h) The confiscatory effect of the schedule of rates, charges and practices prescribed by said Order and said Supplemental Order if presently applied to the business of the petitioners will be further enhanced by reason of the reduction in the gross revenue of the petitioners due to the diminution in volume of business handled. From 1923 to 1932 the number of head of cattle received at the Chicago Union Stock Yards decreased by over 1,000,000 head; calves decreased in volume almost 300,000 head; hogs, over 5,000,000 head; and sheep substantially 1,000,000 head. Decreases in volume have been most marked in the more recent years; and because of the policy of the present Federal [fol. 29] Administration to curtail production, particularly exemplified in the Corn-Hog Control program, volume of live stock arriving at the Chicago Yards is decreasing at an accelerated rate.

(i) The petitioners and other market agencies are required by Packers and Stockyards Act of 1921 and by regulation of the Secretary thereunder to post bonds for the protection of their customers. The surety companies issuing said bonds require collateral. If the rates, charges, and practices prescribed by said Order and said Supplemental Order are put into effect and enforced, the petitioners reasonably fear that the said surety companies will cancel their said bonds because of the losses suffered by the petitioners due to the said prescribed confiscatory rates. The petitioners will then be compelled to go out of business. During the last twelve months bonds of several market agencies at the Chicago Union Stock Yards have been cancelled because the bonding companies have asserted that the losses sustained by the insured agencies in the conduct of their respective businesses made the collateral insecure.

(j) The rates, charges and practices prescribed by said Order and said Supplemental Order do not consider nor take into account the personal and professional skill, judgment, and services rendered and required of salesmen and of the entrepreneur petitioners, whether individual, partnership or corporation; and said rates, charges and prac-

tices, will not permit adequate and commensurate salaries and rewards as items of cost in the conducting of the respective businesses of the petitioners.

(k) The confiscatory effect of the said rates, charges and practices prescribed by said Order and said Supplemental Order if put into effect and enforced and applied to the businesses of the petitioners will be further enhanced by reason of reduction in the percentage of consignments arriving by rail and by the increase in the consignments or heads arriv- [fol. 30] ing by motor truck. Because of the smaller draft and increase in per head sales on truck deliveries, cost on the latter deliveries to the petitioners are increased. To this increasing cost factor the Secretary does not give consideration or adequate consideration. Since 1923 truck deliveries have increased in the case of cattle from almost nothing to 15% of total cattle deliveries. In the case of calves, the percentage has increased from 6/10 of 1% to 22%; in the case of hogs from 6/10 of 1% to 25%; and in the case of sheep from 1/10 of 1% to approximately 10%.

(l) The arbitrary classification of live stock prescribed by said Order and said Supplemental Order is confiscatory in that variations in weight upon which the prescribed rates and charges are graduated is without foundation and is without relation to the cost of service. For instance a variation of one pound in the average weight of a consignment of steers will cause, according to the prescribed rate, a difference of 15c per head commission for the sale of such a consignment of steers, but the cost of selling will not vary.

(m) The Secretary found that the reasonable cost of selling calves was 42 plus cents per head. The commissions prescribed for selling calves are largely below that amount, particularly in the larger package brackets; and there is no evidence in the record to show that the petitioners will do enough business in the one small package bracket, wherein the commissions are greater than the reasonable costs found by the Secretary, to make up for the less-than-cost rate set for the large package brackets.

(n) In every case, in every instance for every species of live stock, the reasonable total costs found by the Secretary are less than the actual total costs of the petitioners in conducting their businesses. Specifically, for instance, the Secretary found that the reasonable costs for the sale per head

[fol. 31] of cattle and calves is 42.97 cents; whereas the petitioner whose business is conducted more economically than any of the other petitioning firms entailed an actual cost of 57.91 cents per head in the sale of cattle and calves; and the average of all petitioners, as shown by the record, was a total actual cost of 83.24 cents per head in the sale of cattle and calves. The total of all items of cost of the petitioner whose business is conducted more economically than that of any other petitioner exceeded the total reasonable cost as found by the Secretary by almost 15 cents per head of cattle and calves; and the average total of all items of cost of all of the petitioners in the sale per head of cattle and calves is twice the total reasonable cost as found by the Secretary.

In the case of hogs, the total reasonable cost found by the Secretary was 13.23 cents, whereas the total actual cost of all the petitioners was 23.27 cents. In the case of sheep, the comparison is 4.85 cents to 9.17 cents. The profit allowed and considered reasonable by the Secretary is 3.9 cents per head in the case of cattle and calves; 1.4 cents per head in the case of hogs and .55 cents; so that in no case does the reasonable cost, plus the reasonable profit allowed by the Secretary even approach the actual cost of the petitioners.

(o) The confiscatory effect of said rates, charges and practices prescribed by said Order and said Supplemental Order, if put into effect and enforced and applied to the businesses of the petitioners, will be further enhanced by reason of the accelerating reduction in the amount of livestock which finds its way to the Chicago Union Stock Yards, as compared with other central markets. In ten years the percentage of cattle and calves handled by Chicago market agencies has steadily and consistently diminished from 42.4% of the cattle and calves handled in 1923 at the seven central stockyards of the Middle-West to 88% in 1932. In the case of hogs for the same period and making the same comparison, the decrease has been from 53.5% to 42.2%; [fol. 32] and in the case of sheep, the diminution has been from 39.1% to 29%. This steady diminution in volume at the Chicago yards, as compared with the six other central yards, over the ten-year period, has established a trend which there is no reason to believe will be changed or checked, and which diminishing trend in volume of business the Secretary failed to consider or to adequately consider.

(p) The confiscatory effect of the schedule of rates, charges and practices prescribed by said Order and said Supplemental Order, if applied to the businesses of the petitioners, would be further enhanced because of the increase of direct shipments of live stock without intervention of market agencies to meat packers. The direct receipt of hogs by the packers in 1923 amount to 4.56% of the total hogs received at the Chicago yards. This percentage steadily and rapidly increased until in 1932 it amounted to 34.15%. During the same period the total directly consigned sheep receipts rose from 13.52% to 29.09%. The increase as to calves is from 6.81% in 1923 to 8.87% in 1932. In the case of cattle, direct consignments to packers has decreased from 2.46% in 1923 to 1.96% in 1932. The Secretary failed to consider and to adequately take into account the diminishing volume of business done by the petitioners because of the steadily increasing and established trend of direct consignments to the meat packers.

(28) By reason of each and all of the facts alleged in the foregoing paragraphs, the petitioners aver that the said Order and Supplemental Order and the action and cause of action taken by the Secretary are without warrant and authority of law. By reason thereof the petitioners, and each of them, will, if the said Order and said Supplemental Order are put in effect and enforced, be deprived of their property and their business confiscated without due process of law under the Constitution and laws of the United States.

[fol. 33] V

(29) The Secretary erroneously, improperly, arbitrarily, and unreasonably overruled and denied the petition for rehearing filed February 7, 1934, wherein the petitioners alleged in substance, among other things, that the schedule of rates and charges prescribed by the Secretary's Order would cause reductions in revenues which would make it impossible for the petitioners to pay necessary operating expenses; that the schedule of rates and charges of said Order of January 8, 1934, were not related to the cost of rendering service with respect to the different species and classifications; that the prescribed rates were not consistent with the level or with the trend of cost; that under the rates and charges in effect during 1933, substantially all of the petitioners had operated at a loss; and that the rates

prescribed would necessitate throwing out of employment a large number of people.

(30) The Secretary erroneously, arbitrarily, and unreasonably, overruled and denied the amended petition for rehearing filed April 9, 1934, wherein the petitioners alleged, among other things, that the rates and charges prescribed in said Order and said Supplemental Order would create a net reduction of 25% of gross income as compared with the income derived from the rates then and now in force, declared to be unreasonable; that such reduction in income would be confiscatory because the prescribed rates would not produce income sufficient to pay the usual and necessary costs of doing business; that economic changes of far-reaching character had occurred adversely affecting the market agencies at Chicago; and that there was drastic reduction in the production and marketing of live stock.

[fol. 34] VI

(31) Failure on the part of petitioners to comply with the purported Order of January 8, 1934 and the purported Supplemental Order of March 12, 1934, renders the petitioners subject to prosecution and to liability for heavy penalties and forfeitures as against which liabilities the petitioners will have no adequate protection at law, but may be subjected to multifarious and vexatious suits for reparation on the part of various shippers of live stock. Should the petitioners, under duress, attempt to avoid liability and publish and establish the rates specified in said purported Order, the petitioners will be permitted by law to collect only such rates which, as alleged, are not sufficient to pay the necessary expenses of conducting business, but will result in losses in excess of $1,000,000; and if later it should be determined that said purported Orders are null and void, the petitioners will be without means of collecting the difference between the rates, charges and practices prescribed in said Orders and the present rates without multifarious suits and actions at law, impractical in character, and extending to most of the states of the Union, against those shippers to whom the prescribed reductions apply. The petitioners will, therefore, unless the said purported orders are suspended, enjoined, set aside and annulled; and unless, pending final determination, said purported Orders are not temporarily stayed and suspended, suffer irreparable in-

jury for which no adequate remedy or protection exists at law.

(32) If, pending final determination, a temporary stay or suspension of the operation of said purported Orders or an interlocutory injunction suspending the enforcement, operation or execution thereof is granted only upon the condition that there be impounded with the Court the difference in commissions under the existing rates and the rates pre- [fol. 35] scribed in said purported Orders, the petitioners will be unable to continue in business because the gross revenues produced by the rates prescribed in said purported Orders will not produce sufficient commissions or income to meet either actual operating costs or operating costs held and deemed by the Secretary to be reasonable. The business of the petitioners is one with small capital investment and without surplus capital and the only way the petitioners could meet the demands of such impounding order would be to deposit from their personal funds and savings, if sufficient the difference between the two rates.

Wherefore petitioners pray:

1. That process issued immediately out of and under the seal of this Court, directed to said defendants, the United States of America, Harry A. Wallace, Secretary of Agriculture of the United States of America, Homer S. Cummings, Attorney General of the United States of America, and Dwight H. Green, United States District Attorney for the Northern District of Illinois, Eastern Division, requiring said defendants, and each of them, on a day certain to be specified in said process, to be and appear before this Court and to answer this Petition and Bill, but not under oath, answer under oath being hereby expressly waived.

2. That this Court or a Court constituted as required by the laws of the United States, be convened and that said Court so constituted and convened, shall hear this Petition and Bill and all motions, petitions, proceedings or hearings properly arising therefrom or thereunder.

3. That upon the filing of this Petition and Bill, a Judge of this Court shall call to his assistance two other Judges, one of whom shall be a Circuit Judge, and upon proper notice to the defendants, said Judges shall enter an order of this Court allowing a temporary stay or suspension of the

operation of said Order and said Supplemental Order, including in the order allowing such temporary stay or sus- [fol. 36] pension, a finding that irreparable damage would result to the petitioners but for said order and specifying the nature of the damage; and that after proper notice to the defendants, the petitioners herein may be granted an interlocutory injunction suspending or restraining the enforcement, operation or execution of said purported Order and Supplemental Order.

4. That this Court, upon final hearing of this suit, enter a decree herein permanently suspending, enjoining, setting aside and annulling said purported Order and Supplemental Order.

5. That the petitioners have and recover of the defendants the proper costs of this suit.

6. That the petitioners have such other and further relief in the premises as may to the Court be deemed just and equitable.

Alan F. Wilson, for the Petitioner, John Clay, Frank H. Connor, Alan F. Wilson, and Chas. G. Smith, a Partnership, Doing Business as John Clay & Company. Geo. I. Haight, John S. Boyd, M. K. Hobbs, Solicitors for all Petitioners.

[fol. 37] *Duly sworn to by Alan F. Wilson and John S. Boyd. Jurat omitted in printing.*

[fol. 38] EXHIBIT A TO PETITION AND COMPLAINT

Arbitration Agreement

[fol. 39] Pending before the Secretary of Agriculture

Docket No. 14

AMERICAN NATIONAL LIVE STOCK ASSOCIATION et al.

vs.

CHICAGO LIVE STOCK EXCHANGE et al.

Stipulation

It is hereby agreed between the complainants in the above entitled complaint and The Chicago Live Stock Exchange

and all market agencies, members thereof, who are made defendants to said complaint, as follows:

1. In lieu of the formal procedure and hearing provided for by the Packers and Stock Yards Act, 1921, for the consideration and determination of the charges made in said complaint by the American National Live Stock Association and others against The Chicago Live Stock Exchange and others, the entire subject matter and charges in said complaint contained shall be investigated by G. N. Dagger in charge of the Division of Rates and Charges of said Packers and Stock Yards Administration and Howard M. Gore in charge of the Trade Practice Division of said Packers and Stock Yards Administration, with full authority in said G. N. Dagger and Howard M. Gore, as arbitrators, to finally adjust and determine the issue raised by said complainants in their complaint against said Chicago Live Stock Exchange and the market agencies at the Chicago market.

2. Upon the signing of this stipulation by the parties hereto, the schedules of rates and charges now on file with said Packers and Stock Yards Administration shall remain in effect until the decision of said arbitrators is approved by the Secretary of Agriculture, and none of the parties hereto shall take any action in respect to the matters charged and referred to in said complaint pending the determination thereof by said arbitrators, for the purpose of concluding the proceedings instituted by the complainants.

3. In performing their duties as such arbitrators, said G. N. Dagger and Howard M. Gore shall proceed in such manner and by such means as they deem necessary and proper and shall be extended by the complainants and these [fol. 40] defendants all facilities and given all information as they may request and as in their judgment is necessary for the proper discharge of their duties as such arbitrators and to enable them to fairly determine what shall be regarded as just and reasonable practices and schedules of rates and commission charges in the live stock commission business at the Chicago market.

4. It is understood that the decision of such arbitrators upon the matters herein referred to shall be binding upon, and shall be accepted by all of the parties to the complaint, and that the rates and charges and practices found

to be just and reasonable by said arbitrators and recommended by them shall be adopted by said Chicago Live Stock Exchange and the members thereof, upon approval by the Secretary of Agriculture, and shall be made effective to the same extent and as fully as if such decision and recommendations had been arrived at by the Secretary of Agriculture as the result of a formal hearing in accordance with the procedure provided by said Packers and Stock Yards Act, 1921.

5. The practices and rates and charges found to be just and reasonable by said arbitrators and recommended by them for adoption, if approved by the Secretary of Agriculture, shall be adopted by all of the market agencies at the Chicago market and enforced by the Packers and Stock Yards Administration.

6. No publicity shall be given to the information gathered by said arbitrators by either the complainants or the defendants herein, and no public statements or interviews with respect thereto given out, unless by authority or direction of said arbitrators.

7. That this stipulation shall be executed in quadruplicate and one copy given to each of the following:

(a) The Chief of the Packers and Stock Yards Administration.

(b) Messrs. G. N. Dagger and Howard M. Gore, the arbitrators.

(c) The duly authorized representative of the complainants.

(d) The President of The Chicago Live Stock Exchange.

8. The investigation by the arbitrators herein shall commence as soon as conveniently possible after the execution [fol. 41] of this stipulation and shall be concluded within such reasonable time as the circumstances will permit.

9. The recommendations, conclusions and decisions of said arbitrators shall be reduced to writing and a copy thereof filed with the Packers and Stockyards Administration and a copy thereof delivered to the representative of the complainants and the President of The Chicago Live Stock Exchange. Such recommendations as to practices, rates and schedules of commission charges and otherwise,

as may be contained in said decision and report, when approved by the Secretary of Agriculture, shall be adopted by said Chicago Live Stock Exchange and the market agencies at the Chicago market and made effective as soon as conveniently possible after the receipt by the president of The Chicago Live Stock Exchange of said report of the arbitrators, or at such time as shall be directed by said arbitrators.

American National Live Stock Association, by T. W. Tomlinson, Secy., Their Duly Authorized Representative. National Wool Growers' Association, by F. R. Marshall, Secretary, Their Duly Authorized Representative. Arizona Cattle Growers' Association, Arizona Wool Growers' Association, California Cattlemen's Association, Corn Belt Meat Producers' Association, Idaho Cattle and Horse Growers' Association, Montana Stock Growers' Association, Nebraska Stock Growers' Association, Nevada Land and Live Stock Association, New Mexico Cattle and Horse Growers' Ass'n, Oregon Cattle and Horse Raisers' Association, Texas and Southwestern Cattle Raisers' Ass'n, Utah Cattle and Horse Growers' Association, Wyoming Stock Growers' Association, by T. W. Tomlinson, Their Duly Authorized Representative. The Chicago Live Stock Exchange, by S. B. Stafford, Its President.

Approved: Packers and Stock Yards Administration, by Chester Morrill, Assistant to the Secretary.

[fol. 42] The foregoing stipulation was approved by the members of The Chicago Live Stock Exchange and the President of said Exchange duly authorized to enter into the same by a resolution duly adopted this 9th day of January, 1923, by the members of said Chicago Live Stock Exchange at a meeting called for the purpose of considering the same, and made a matter of record in the minutes of said meeting.

E. M. Hughes, Secretary, The Chicago Live Stock Exchange.

The foregoing stipulation has been submitted to and approved by the duly accredited representatives of American National Live Stock Association, National Wool Growers' Association, Arizona Cattle Growers' Association, Arizona Wool Growers' Association, California Cattlemen's Association, Corn Belt Meat Producers' Association, Idaho Cattle and Horse Growers' Association, Montana Stock Growers' Association, Nebraska Stock Growers' Association, Nevada Land and Live Stock Association, New Mexico Cattle and Horse Growers' Association, Oregon Cattle and Horse Raisers' Association, Texas and Southwestern Cattle Raisers' Association, Utah Cattle and Horse Growers' Association and Wyoming Stock Growers' Association.

T. W. Tomlinson, Secy.

The undersigned agree to act as arbitrators under and pursuant to the terms and conditions stated in the above stipulation.

Howard M. Gore. G. N. Dagger.

[fol. 43] EXHIBIT B TO PETITION AND COMPLAINT

Arbitration Award, 1923

[fol. 44] United States Department of Agriculture

Packers and Stockyards Administration

Washington, D. C.

July 31, 1923.

The Honorable the Secretary of Agriculture.

SIR:

We submit, herewith, the report and the award of the arbitrators in Docket Nos. 11, 12, 13 and 14.

(Signed) G. N. Dagger. (Signed) Howard M. Gore.

[fol. 45] Docket Nos. 11, 12, 13 and 14

AMERICAN NATIONAL LIVE STOCK ASSOCIATION, NATIONAL WOOL GROWERS' ASSOCIATION, Arizona Cattle Growers' Association, Arizona Wool Growers' Association, California Cattlemen's Association, Corn Belt Meat Producers' Association, Idaho Cattle and Horse Growers' Association, Montana Stock Growers' Association, Nebraska Stock Growers' Association, Nevada Land and Live Stock Association, New Mexico Cattle and Horse Growers' Association, Oregon Cattle and Horse Raisers' Association, Texas and Southwestern Cattle Raisers' Association, Utah Cattle and Horse Growers' Association, Wyoming Stock Growers' Association, Complainants,

v.

THE CHICAGO LIVE STOCK EXCHANGE, THE KANSAS CITY LIVE STOCK EXCHANGE, The Omaha Live Stock Exchange, the St. Paul Live Stock Exchange, The Portland Live Stock Exchange; and Those Market Agencies Operating at the Stockyards at Chicago, Ill.; Kansas City, Mo.; Omaha, Neb.; St. Paul, Minn.; Portland, Ore.; and Fort Worth, Texas, that have Registered With the Secretary of Agriculture under Section 303 of the Packers and Stockyards Act, 1921, Defendants

Report and Award of the Arbitrators Recommended to the Secretary of Agriculture

A formal complaint was filed with the Secretary of Agriculture on July 25th, 1922, under Title III of the Packers and Stockyards Act, 1921. This complaint alleges, among [fol. 46] other things, that the commission charges assessed and collected by the market agencies for selling livestock at the stockyards located at Kansas City, Mo., So. Omaha, Neb., So. St. Paul, Minn. and Chicago, Ill. are unjust, unreasonable and discriminatory.

Before a date of hearing was ordered on this complaint, a conference was held between the representatives of the market agencies at the Kansas City market and representatives of the American National Livestock Association, Kansas Livestock Association, Missouri Livestock Association, Texas and Southwestern Cattle Raisers' Association, and other livestock organizations tributary to that market.

This conference resulted in a proposal to the Secretary that the issues in dispute be settled by arbitration. The conference nominated arbitrators for the consideration of the Secretary in connection with this proposal. The proposed plan was approved by the Secretary of Agriculture. All parties to the proceedings and participants in the conferences in relation thereto, with the approval and consent of the Secretary, joined in an invitation to those nominated by them to act in the capacity of arbitrators under the following stipulation:

In conference in regard to the matter of rates, charges, regulations, and practices now in force at the Kansas City market, it is proposed that all questions in regard to the above subject matter shall be submitted for adjustment to G. N. Dagger, Charge of the Division of Rates and Charges, and Howard M. Gore, Charge of Trade Practice Division, Packers and Stockyards Administration, and it is agreed that their decision shall be accepted and made a part of the conference report, the same to be made effective by the Kansas City Live Stock Exchange upon approval by the Secretary of Agriculture. In performance of these duties, G. N. Dagger and Howard M. Gore may proceed in such manner and by such means as they deem necessary, and shall be afforded such facilities and information as they may require for the proper discharge of their duties. And in order to effectuate the results of this conference, it is understood that the representatives of the commission men market agencies, the American National Live Stock Association, the National Wool Growers' Association and the producers' organizations, namely: Kansas State Live Stock Association, Texas and South Western Cattle Rais-[fol. 47] ers' Association, Missouri Live Stock Association and representatives of Oklahoma Live Stock Producers participating in this conference will approve this stipulation.

The persons chosen and named in the stipulations accepted the invitation to act as arbitrators and entered upon their duties as such. The arbitrators were aware that the tasks to be undertaken were in the nature of pioneer work and the complex character of the problems presented would necessitate extensive research and study. It was the opinion of the arbitrators that the problem could best be ap-

proached by informal conferences and hearings with the representatives of the producers and shippers and with the market agencies engaged in business at the market under consideration. It was the further belief of the arbitrators that the Auditing Division of the Packers and Stockyards Administration should make an examination of the records of these market agencies and report the facts developed to the arbitrators.

The arbitration plan of settling the questions at issue for St. Paul, Omaha and Chicago was adopted in January 1923. The complainants and respondents at Omaha and St. Paul adopted the form of the Kansas City stipulation. A separate stipulation was entered into for Chicago, which reads as follows:

It is hereby agreed between the complainants in the above entitled complaint and The Chicago Live Stock Exchange and all market agencies, members thereof, who are made defendants to said complaint, as follows:

1. In lieu of the formal procedure and hearing provided for by the Packers and Stockyards Act, 1921, for the consideration and determination of the charges made in said complaint by the American National Live Stock Association and others against The Chicago Live Stock Exchange and others, the entire subject matter and charges in said complaint contained shall be investigated by G. N. Dagger, in charge of the Division of Rates and Charges of said Packers and Stockyards Administration and Howard M. Gore in charge of the Trade Practice Division of said Packers and Stockyards Administration, with full authority in said G. N. Dagger and Howard M. Gore, as arbitrators, to finally adjust and determine the issue raised by said complainants in their complaint against said Chicago Live Stock Exchange and the market agencies at the Chicago market.

[fol. 48]. 2. Upon the signing of this stipulation by the parties hereto, the schedule of rates and charges now on file with said Packers and Stockyards Administration shall remain in effect until the decision of said arbitrators is approved by the Secretary of Agriculture, and none of the parties hereto shall take any action in respect to the matters charged and referred to in said complaint pending the determination thereof by said arbitrators, for the purpose

of concluding the proceedings instituted by the complainants.

3. In performing their duties as such arbitrators, said G. N. Dagger and Howard M. Gore shall proceed in such manner and by such means as they deem necessary and proper and shall be extended by the complainants and these defendants all facilities and given all information as they may request and as in their judgment is necessary for the proper discharge of their duties as such arbitrators and to enable them to fairly determine what shall be regarded as just and reasonable practices and schedules of rates and commission charges in the livestock commission business at the Chicago market.

4. It is understood that the decision of such arbitrators upon the matters herein referred to shall be binding upon, and shall be accepted by all of the parties to the complaint, and that the rates and charges and practices found to be just and reasonable by said arbitrators and recommended by them shall be adopted by said Chicago Live Stock Exchange and the members thereof, upon approval by the Secretary of Agriculture, and shall be made effective to the same extent and as fully as if such decision and recommendations had been arrived at by the Secretary of Agriculture as the result of a formal hearing in accordance with the procedure provided by said Packers and Stockyards Act, 1921.

5. The practices and rates and charges found to be just and reasonable by said arbitrators and recommended by them for adoption, if approved by the Secretary of Agriculture, shall be adopted by all of the market agencies at the Chicago market and enforced by the Packers and Stockyards Administration.

6. No publicity shall be given to the information gathered by said arbitrators by either the complainants or the defendants herein, and no public statements or interviews [fol. 49] with respect thereto given out, unless by authority or direction of said arbitrators.

7. That this stipulation shall be executed in quadruplicate and one copy given to each of the following:

(a) The Chief of the Packers and Stockyards Administration.

(b) Messrs. G. N. Dagger and Howard M. Gore, the arbitrators.

(c) The duly authorized representative of the complainants.

(d) The President of The Chicago Live Stock Exchange.

8. The investigation by the arbitrators herein shall commence as soon as conveniently possible after the execution of this stipulation and shall be concluded within such reasonable time as the circumstances will permit.

9. The recommendations, conclusions and decisions of said arbitrators shall be reduced to writing and a copy thereof filed with the Packers and Stockyards Administration and a copy thereof delivered to the representative of the complainants and the President of The Chicago Live Stock Exchange. Such recommendations as to practices, rates and schedules of commission charges and otherwise, as may be contained in said decision and report, when approved by the Secretary of Agriculture, shall be adopted by said Chicago Live Stock Exchange and the market agencies at the Chicago market and made effective as soon as conveniently possible after the receipt by the president of The Chicago Live Stock Exchange of said report of the arbitrators, or at such time as shall be directed by said arbitrators.

An informal public hearing was held in the Kansas City market during the week of October 30th, 1922. During the week of February 19th, 1923, an informal public hearing was had at St. Paul, Minn. The hearing at Chicago was held during the week beginning March 5th, 1923, which was resumed March 30th, 1923. The hearing at Omaha was held during the week beginning March 26th, 1923. These informal public hearings held by the arbitrators at the respective markets were widely announced and full opportunity was given to all interested parties to present information and suggestions bearing upon the reasonableness of the [fol. 50] present commission charges. Market agencies, individual producers and representatives of livestock organizations were present at all the hearings and submitted their views and recommendations to the arbitrators. Exhibits were submitted setting forth statistical data and other information bearing on the issues. A complete rec-

ord was made of these proceedings. An invitation was extended to those present at the hearings and all others interested to present to the arbitrators any facts which in their judgment merited consideration at any time before the making of the final award.

The arbitrators found it necessary to make extensive investigations and study on their own account in order to secure needed information. The Auditing Division of the Packers and Stockyards Administration made such audit of the books of all the market agencies at the four markets involved as the time at hand would permit and furnished information relative to the profits and losses for each firm for a period of time sufficient to indicate the state of the business. The Auditing Division also secured and furnished information in regard to the character of the receipts of the different classes of livestock at each of the markets. The plan followed in collecting information of this character was to select representative months to show the number of head per car, drafts per car, buyers per car, gross sales, weight per car, commission per car, and other expenses, and such other information as would be useful. Numerous conferences were held with officials of livestock exchanges, officials of livestock organizations, and other informed persons. A questionnaire was sent to each market agency which was designed to secure information bearing upon the volume of business handled during the year 1922, the number of employees engaged by each firm, the salary paid each, and such other information as would clearly disclose the nature of their organizations and their business operations.

In order to thoroughly familiarize themselves with local conditions prevailing at the several markets in question, the arbitrators made extensive personal investigations, spending considerable time in observing market transactions in the yards.

Various reports and letters bearing information and suggestions were received from individuals interested in commission rates. The information submitted by the interested parties, as well as information secured in other ways, [fol. 51] has been carefully reviewed. All the documents, letters, and other papers submitted, including the record of the hearings, are on file with the Packers and Stockyards Administration.

In approaching their duties, the arbitrators have been cognizant of the situation of the livestock producer and the economic conditions which have confronted him during the past three years. They have also recognized that the welfare of the livestock industry is of mutual interest to the producer, the consumer and intermediate agencies, and that it is desirable, therefore, to maintain marketing costs on as low a basis as is consistent with efficient service.

It is a noteworthy fact that the manner in which livestock is shipped to market has materially changed during the past few years. Also the methods of purchasing livestock have undergone material changes. Market agencies are confronted with the necessity of meeting the changing conditions without lowering the efficiency of their service. It has been the usual custom on the part of the producer or shipper to ship his animals in carload lots with seldom more than one owner, but with the development of cooperative shipping, a very large per cent of the shipments of livestock at the four markets under consideration is owned by two or more persons, frequently the owners numbering as high as fifteen and twenty to the car. This method of shipping necessitates a marked departure from the usual method of selling and accounting for livestock to the producers and shippers.

In the purchase of livestock in the market, the buyers representing the larger packers are usually in close touch with their chief buyer, who is generally located in Chicago. He keeps in close touch with the buyers of his concern in the various markets and apparently directs in considerable detail the purchases of the various representatives on the several markets. It appears that the larger purchasing concerns have adopted the policy of employing representatives who specialize in the purchase of market grades and classes. The average buyer to-day representing a packer, either at the market place or elsewhere, is usually looking for animals to fill a definite place in the course of business of that concern. In order to determine properly market value, broadly speaking, the buying conditions found at the several markets require that market agencies be informed as to the receipts of livestock at the various important markets, the prospective supply of livestock, the condition of [fol. 52] the fresh and cured meat trade, the volume of various packing house products going into consumptive

channels, the needs of the local packing plants, demand of buyers from other centers, and be in possession of information concerning the many other factors that enter into the establishing of the trading basis of a given market from time to time. A selling agency at a market center, in addition to being posted on general trade conditions, must be a judge of both the quality of the various classes of livestock and their market value at the time of sale.

It is conceded by all parties that the improper loading at the time of shipment and improper handling of animals in transit, neglect in properly caring for and feeding the animals upon arrival at the market, lack of information or selling ability on the part of the market agencies, neglect in safeguarding other interests of the shipper, may reflect themselves materially in the net return to the shipper or producer.

In reaching a conclusion as to what, in their judgment, will be a fair charge for the producer to pay and a fair compensation to the market agencies for the services rendered, the arbitrators have in mind that it is not within their province to pass on the question of whether a firm has a right to act as a market agency, but they have approached it from the standpoint that the compensation should be reasonably remunerative to those efficiently functioning as market agencies. It would not be to the advantage of the livestock producer to bring about arbitrarily such conditions as to cause necessary talent to seek a field for its services other than with a livestock market agency. It appears that the producer and the shipper should be the best judges as to the quality of service furnished them by the several market agencies and as to whether the service is satisfactory. It is entirely within the power of the patrons of the market to withhold patronage from those market agencies that fail to give satisfactory service. Herein lies an effective means, available to the shipper, of improving market services.

At the four markets involved the shipper may avail himself of the services of the "old line" commission firms or co-operative commission agencies. In addition, if the shipper or producer desires to offer his livestock for sale in person, the facilities of the market center for receiving, caring for and making delivery of his livestock are available to him. This condition offers the producer a choice of methods of selling his livestock and the compensation that

[fol. 53] he shall pay therefor. The Bureau of Agricultural Economics is constantly represented at the market centers and prepares and disseminates, from day to day, carefully analyzed reports of the market conditions on classes and grades of all species of livestock. A similar service is performed by daily market papers and other marketing organizations. From these agencies producers and shippers can inform themselves as to the market conditions under which livestock is being handled.

In approaching the determination of the reasonableness of commission rates for handling livestock at the stockyards, it is apparent, both from information and observation, that while the judicious employment of limited capital is necessary, yet capital as such is not a material income-producing factor. The commission business is essentially personal in the character of the service performed. The relation between the market agency and its customers is primarily a personal one. The useful market agency must always be alert in observing and sensing those factors which enter into the making of market prices from day to day and hour to hour. Constant attention to the maintenance of the highest kind of personal service in behalf of shippers must be exercised at all times. The sound business judgment and integrity of the market agency is of prime importance to the producer and shipper. The selling of the producer's livestock to persons with the ability to pay, collecting, safeguarding and remitting the proceeds to the shipper, are important factors that enter into an adequate service. With these facts in mind, the arbitrators believe the livestock industry will be benefited by the maintenance of the highest quality of service at the market centers.

The arbitrators have considered the commission business strictly on its merits and apart from other activities engaged in by commission firms. In taking this view, it is not their thought that those associated enterprises are not proper activities for those engaged in the commission business, or that they are not beneficial to very many producers, but it is their conclusion that the matter of rates should be considered strictly from the viewpoint of the commission business as such. Very many services beneficial to the producers are, and even to an enlarged degree can be, performed by the market agencies in addition to the strict duties of selling and accounting for livestock.

In respect to market and financial risks to which market agencies are exposed, insurance against many of these [fol. 54] losses has been devised and is offered to market agencies at a comparatively nominal fee. The market agency bears many risks against which there is no insurance or protection, and at the same time is financially responsible to the shipper. Moreover, it is apparent that market agencies must meet the general economic conditions that prevail in respect to wages, cost of equipment, and such other elements as are essential in the conduct of their business.

It is the opinion of the arbitrators that market agencies which conduct a reasonably efficient business should not be arbitrarily denied a reasonable margin of profit for the capital, responsibilities and risks involved. The conclusions reached are based upon what appears to be the basis upon which a well organized commission firm with a reasonable volume of business can operate efficiently, maintaining a high character of service and giving opportunity for reasonable profit.

Many suggestions have been received proposing changes in the methods of assessing and collecting commission charges, but the present form in which shipments are received at the markets renders it inadvisable to make any radical departures. In the present schedules of commission charges there are features which the arbitrators deem advisable to change, believing that their present operation is not entirely equitable. No departure has been made except after full and careful deliberation. The arbitrators are aware that should any of the proposed changes prove to be impracticable, relief may be had upon a proper showing to the Secretary.

The arbitrators are cognizant of the fact that it is difficult to arrive at an exact figure where so many complex services are required. However, after considering all the factors and problems involved, the arbitrators conclude that the schedule of rates and charges hereinafter set forth for the markets under consideration will reasonably compensate market agencies engaged in the sale of livestock on a commission basis for the services performed and the producer and shipper of livestock will not pay more than a reasonable charge for the services required. It is therefore

recommended for the approval of the Secretary that the schedules of rates and charges now in effect at the markets concerned be amended to comply with the following provisions and put into full force and effect as promptly as circumstances will permit.

[fol. 55] Chicago Selling Commissions

Single Ownership—Carload Lots

Cattle:

20 head or less, $17.00,—and 75¢ per head for each additional head over 20 head, with a maximum of $21.00. When car contains less than 14 head, the "drive-in" schedule applies.

Calves—Single-deck:

50 head or less, $17.00,—and 30¢ per head for each additional head over 50 head, with a maximum of $22.00.

Double-deck:

70 head or less, $23.00,—and 30¢ per head for each additional head over 70 head, with a maximum of $28.00. When car contains less than 40 head, the "drive-in" schedule applies.

Hogs—Single-deck:

50 head or less, $13.00,—and 15¢ per head for each additional head over 50 head, with a maximum of $15.00. An additional charge of 30¢ shall be made for each full 500 pounds weight over 17,000 pounds.

Double-deck:

80 head or less, $18.00,—and 15¢ per head for each additional head over 80 head, with a maximum of $23.00. An additional charge of 30¢ shall be made for each full 500 pounds weight over 27,000 pounds. When a car contains less than 40 head, the "drive-in" schedule applies.

Sheep—Single-deck, $14.00.
Double-deck, $20.00.

When a car contains less than 50 head, the "drive-in" schedule applies.

Mixed Livestock:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	85¢	$21.00	
Calves	35¢	22.00	$28.00
Hogs	25¢	15.00	23.00
Sheep	20¢	14.00	20.00

Minimum of $16.00, and maximum of $26.00, on single-deck car.

Minimum of $21.00, and maximum of $29.00, on double-deck car.

When a car contains cattle and calves only, the minimum shall be $17.00 and the maximum $24.00.

[fol. 56]

Selling Commission

Plural Ownership

Carload Lots

Plural Owner Car Lots—Sold as Single Ownership:

When plural ownership carload lots of livestock are handled in the same manner as single ownership cars—that is, not weighed for ownership, marks, brands, or other identification and not prorated, but handled for market grades and classes only—the single ownership schedules shall apply.

Plural Owner Car Lots Handled for Ownership, Marks, Brands, or Other Identification:

When carloads of livestock require prorating, separate sorting, selling, or weighing for ownership, marks, brands or other identification, or at request of shipper, the following rates shall apply.

Unmixed Cars:

		Single-deck		Double-deck	
	Per head	Minimum	Maximum	Minimum	Maximum
Cattle	85¢	$18.00	$22.00		
Calves	35¢	18.00	23.00	$24.00	$29.00
Hogs	25¢	14.00	16.00	19.00	24.00
Sheep	20¢	14.00	16.00	20.00	22.00

Mixed Cars:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	85¢	$22.00	
Calves	35¢	23.00	$29.00
Hogs	25¢	16.00	24.00
Sheep	20¢	16.00	22.00

Minimum of $17.00, and maximum of $26.00, on single-deck car.

Minimum of $22.00, and maximum of $29.00, on double-deck car.

When a car contains cattle and calves only, the minimum shall be $18.00 and the maximum $24.00.

Under this schedule no owner shall pay more than the maximum commission and extra service charges, if any, on single ownership carloads.

Stock Driven or Hauled in:

The rates of the present Chicago "drive-in" schedule will apply.

[fol. 57] Extra Services

Drafts:

1. Single Ownership—

When requested or necessary to grade or sort car lots of livestock of single ownership into market grades and classes, a charge of 15¢ shall be made for each draft over three drafts per deck—each draft to be represented by a separate scale ticket. Maximum charge, $2.00.

2. Plural Ownership—

When requested or necessary to grade or sort car lots of livestock of plural ownership for ownership, market grades and classes, brands, marks or other identification, a charge of 15¢ per draft shall be made for each draft over three per deck—each draft to be represented by a separate scale ticket. Maximum charge, $3.00.

Prorating:

When prorating is done a charge of 25¢ for each owner shall be made, with a minimum charge of $1.00 and a maximum charge of $2.50 for this service.

Individual Account Sales:

When individual statements are requested in addition to the master prorate sheet, a charge of 5¢ extra shall be made for each statement.

Kansas City Selling Commissions

Single Ownership—Carload Lots

Cattle:

20 head or less, $15.00,—and 65¢ per head for each additional head over 20 head, with a maximum of $19.00. When car contains less than 14 head, the "drive-in" schedule applies.

Calves—Single-deck:

50 head or less, $15.00,—and 30¢ per head for each additional head over 50 head, with a maximum of $20.00.

Double-deck:

70 head or less, $21.00,—and 30¢ per head for each additional head over 70 head, with a maximum of $26.00. When [fol. 58] car contains less than 40 head, the "drive-in" schedule applies.

Hogs—Single-deck:

50 head or less, $12.00,—and 15¢ per head for each additional head over 50 head, with a maximum of $14.00. An additional charge of 30¢ shall be made for each full 500 pounds weight over 17,000 pounds.

Double-deck:

80 head or less, $17.00,—and 15¢ per head for each additional head over 80 head, with a maximum of $22.00.

An additional charge of 30¢ shall be made for each full 500 pounds weight over 27,000 pounds.

When a car contains less than 40 head, the "drive-in" schedule applies.

Sheep—Single-deck, $14.00.
Double-deck, $20.00.

When a car contains less than 50 head, the "drive-in" schedule applies.

Mixed Livestock:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	75¢	$19.00	
Calves	35¢	20.00	$26.00
Hogs	25¢	14.00	22.00
Sheep	20¢	14.00	20.00

Minimum of $15.00, and maximum of $25.00, on single-deck-car.

Minimum of $20.00, and maximum of $28.00, on double-deck-car.

When a car contains cattle and calves only, the minimum shall be $15.00, and the maximum $22.00.

Selling Commission

Plural Ownership

Carload Lots

Plural Owner Car Lots—Sold as Single Ownership:

When plural ownership carload lots of livestock are handled in the same manner as single ownership cars—that is, not weighed for ownership, marks, brands, or other identifi-[fol. 59] cation and not prorated, but handled for market grades and classes only—the single ownership schedules shall apply.

Plural Owner Car Lots Handled for Ownership, Marks, Brands, or Other Identification:

When carloads of livestock require prorating, separate sorting, selling, or weighing for ownership, marks, brands or other identification, or at request of shipper, the following rates shall apply.

Unmixed Cars:

		Single-deck		Double-deck	
	Per head	Minimum	Maximum	Minimum	Maximum
Cattle	75¢	$16.00	$20.00		
Calves	35¢	16.00	21.00	$22.00	$27.00
Hogs	25¢	13.00	15.00	18.00	23.00
Sheep	20¢	14.00	16.00	20.00	22.00

Mixed Cars:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	75¢	$20.00	
Calves	35¢	21.00	$27.00
Hogs	25¢	15.00	23.00
Sheep	20¢	16.00	22.00

Minimum of $16.00, and maximum of $25.00, on single-deck car.

Minimum of $21.00, and maximum of $28.00, on double-deck car.

When a car contain cattle and calves only, the minimum shall be $16.00 and the maximum $22.00.

Under this schedule no owner shall pay more than the maximum commission and extra service charges, if any, on single ownership carloads.

Stock Driven or Hauled in:

The rates of the present Kansas City "drive-in" schedule shall apply.

[fol. 60] Extra Services

Drafts:

1. Single Ownership—

When requested or necessary to grade or sort car lots of livestock of single ownership into market grades and classes, a charge of 15¢ shall be made for each draft over three drafts per deck—each draft to be represented by a separate scale ticket. Maximum charge, $2.00.

2. Plural Ownership—

When requested or necessary to grade or sort car lots of livestock of plural ownership for ownership, market grades and classes, brands, marks or other identification, a charge of 15¢ per draft shall be made for each draft over three per deck—each draft to be represented by a separate scale ticket. Maximum charge, $3.00.

Prorating:

When prorating is done a charge of 25¢ for each owner shall be made, with a minimum charge of $1.00 and a maximum charge of $2.50 for this service.

Individual Account Sales:

When individual statements are requested in addition to the master prorate sheet, a charge of 5¢ extra shall be made for each statement.

Omaha Selling Commissions

Single Ownership—Carload Lots

Cattle:

20 head or less, $15.00,—and 70¢ per head for each additional head over 20 head, with maximum of $19.00.

When car contains less than 14 head, the "drive-in" schedule applies.

Calves—Single-deck:

50 head or less, $15.00,—and 30¢ per head for each additional head over 50, with a maximum of $20.00.

Double-deck:

70 head or less, $21.00,—and 30¢ per head for each additional head over 70 head, with a maximum of $26.00.

When car contains less than 40 head, the "drive-in" schedule applies.

[fol. 61] Hogs—Single-deck:

50 head or less, $12.00,—and 15¢ per head for each additional head over 50 head, with a maximum of $14.00. An additional charge of 30¢ shall be made for each full 500 pounds weight over 17,000 pounds.

Double-deck:

80 head or less, $17.00,—and 15¢ per head for each additional head over 80 head, with a maximum of $22.00. An additional charge of 30¢ shall be made for each full 500 pounds weight over 27,000 pounds.

When a car contains less than 40 head, the "drive-in" schedule applies.

Sheep—Single-deck, $14.00.
Double-deck, $20.00.

When a car contains less than 40 head, the "drive-in" schedule applies.

Mixed Livestock:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	75¢	$19.00	
Calves	35¢	20.00	$26.00
Hogs	25¢	14.00	22.00
Sheep	20¢	14.00	20.00

Minimum of $15.00, and maximum of $25.00, on single-deck car.

Minimum of $20.00, and maximum of $28.00, on double-deck car.

When a car contains cattle and calves only, the minimum shall be $15.00, and the maximum $22.00.

Selling Commission

Plural Ownership

Carload Lots

Plural Owner Car Lots—Sold as Single Ownership:

When plural ownership carload lots of livestock are handled in the same manner as single ownership cars—that is, not weighed for ownership, marks, brands, or other identification and not prorated, but handled for market grades and classes only—the single ownership schedules shall apply.

[fol. 62] Plural Owner Car Lots Handled for Ownership, Marks, Brands, or Other Identification:

When carloads of livestock require prorating, separate sorting, selling, or weighing for ownership, marks, brands or other identification, or at request of shippers, the following rates shall apply.

Unmixed Cars:

		Single-deck		Double-deck	
	Per head	Minimum	Maximum	Minimum	Maximum
Cattle	75¢	$16.00	$20.00		
Calves	35¢	16.00	21.00	$22.00	$27.00
Hogs	25¢	13.00	15.00	18.00	23.00
Sheep	20¢	14.00	16.00	20.00	22.00

Mixed Cars:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	75¢	$20.00	
Calves	35¢	21.00	$27.00
Hogs	25¢	15.00	23.00
Sheep	20¢	16.00	22.00

Minimum of $16.00 and maximum of $25.00, on single-deck car.

Minimum of $21.00, and maximum of $28.00, in double-deck car.

When a car contains cattle and calves only, the minimum shall be $16.00 and the maximum $22.00.

Under this schedule no owner shall pay more than the maximum commission and extra service charges, if any, on single ownership carloads.

Stock Driven or Hauled in:

The rates of the present Omaha "drive-in" schedule shall apply.

Extra Services

Drafts:

1. Single Ownership—

When requested or necessary to grade or sort car lots of livestock of single ownership into market grades and classes; a charge of 15¢ shall be made for each draft over [fol. 63] three drafts per deck—each draft to be represented by a separate scale ticket. Maximum charge $2.00.

2. Plural Ownership—

When requested or necessary to grade or sort car lots of livestock of plural ownership for ownership, market grades and classes, brands, marks or other identification, a charge of 15¢ per draft shall be made for each draft over three per deck—each draft to be represented by a separate scale ticket. Maximum charge, $3.00.

Prorating:

When prorating is done a charge of 25¢ for each owner shall be made, with a minimum charge of $1.00 and a maximum charge of $2.50 for this service.

Individual Account Sales:

When individual statements are requested in addition to the master prorate sheet, a charge of 5¢ extra shall be made for each statement.

St. Paul Selling Commissions

Single Ownership—Carload Lots

Cattle:

20 head or less, $15.00,—and 65¢ per head for each additional head over 20 head, with a maximum of $19.00.
When car contains less than 14 head, the "drive-in" schedule applies.

Calves—Single-deck:

50 head or less, $15.00,—and 30¢ per head for each additional head over 50 head, with a maximum of $20.00.

Double-deck:

70 head or less, $21.00—and 30¢ per head for each additional head over 70 head, with a maximum of $26.00.
When car contains less than 40 head, the "drive-in" schedule applies:

Hogs—Single-deck:

50 head or less, $12.00—and 15¢ per head for each additional head over 50 head, with a maximum of $14.00. An additional charge of 30¢ will be made for each full 500 pounds weight over 17,000 pounds.

[fol. 64] Double-deck:

80 head or less, $17.00,—and 15¢ per head for each additional head over 80 head, with a maximum of $22.00. An additional charge of 30¢ will be made for each full 500 pounds weight over 27,000 pounds.
When car contains less than 40 head, the "drive-in" schedule applies.

Sheep—Single-deck, $14.00.
Double-deck, $20.00.

When a car contains less than 50 head, the "drive-in" schedule applies.

Mixed Livestock:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	75¢	$19.00	
Calves	35¢	20.00	$26.00
Hogs	25¢	14.00	22.00
Sheep	20¢	14.00	20.00

Minimum of $15.00, and maximum of $25.00, on single-deck car.

Minimum of $20.00, and maximum of $28.00, on double-deck car.

When a car contains cattle and calves only, the minimum shall be $15.00, and the maximum $22.00.

Selling Commission

Plural Ownership

Carload Lots

Plural Owner Car Lots—Sold as Single Ownership:

When plural ownership carload lots of livestock are handled in the same manner as single ownership cars—that is, not weighed for ownership, marks, brands, or other identification and not prorated, but handled for market grades and classes only—the single ownership schedules shall apply.

Plural Owner Car Lots Handled for Ownership, Marks, Brands, or Other Identification:

When carloads of livestock require prorating, separate sorting, selling, or weighing for ownership, marks, brands or other identification, or at request of shipper, the following rates shall apply.

[fol. 65] Unmixed Cars:

		Single-deck		Double-deck	
	Per head	Minimum	Maximum	Minimum	Maximum
Cattle	75¢	$16.00	$20.00		
Calves	35¢	16.00	21.00	$22.00	$27.00
Hogs	25¢	13.00	15.00	18.00	23.00
Sheep	20¢	14.00	16.00	20.00	22.00

Mixed Cars:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	75¢	$20.00	
Calves	35¢	21.00	$27.00
Hogs	25¢	15.00	23.00
Sheep	20¢	16.00	22.00

Minimum of $16.00, and maximum of $25.00, on single-deck car.

Minimum of $21.00, and maximum of $28.00 on double-deck car.

When a car contains cattle and calves only, the minimum shall be $16.00 and the maximum $22.00.

Under this schedule no owner shall pay more than the maximum commission and extra service charges, if any, on single ownership carloads.

Stock Driven or hauled in:

For St. Paul, the "drive-in" schedule shall be: cattle, 80¢ per head; calves, 40¢ per head; hogs, 30¢ per head; and sheep and goats, 20¢ per head.

Extra Services

Drafts:

1. Single Ownership—

When requested or necessary to grade or sort car lots of livestock of single ownership into market grades and classes, a charge of 15¢ shall be made for each draft over three drafts per deck—each draft to be represented by a separate scale ticket. Maximum charge, $2.00.

2. Plural Ownership—

When requested or necessary to grade or sort car lots of livestock of plural ownership for ownership, market grades [fol. 66] and classes, brands, marks or other identification, a charge of 15¢ per draft shall be made for each draft over three per deck—each draft to be represented by a separate scale ticket. Maximum charge, $3.00.

Prorating:

When prorating is done a charge of 25c for each owner shall be made, with a minimum charge of $1.00 and a maximum charge of $2.50 for this service.

Individual Account Sales:

When individual statements are requested in addition to the master prorate sheet, a charge of 5c extra shall be made for each statement.

If circumstances arise under which more than one interpretation of the schedules might be applied, that interpretation which is most favorable to the shipper shall be used.

The revised schedules contemplate a basic charge for those shipments requiring a uniform service and additional charges for those shipments requiring services in addition to the usual standard service. The draft charge is designed to operate when more than the ordinary amount of sorting, grading and weighing for ownership and market grades and classes is necessary. The prorating charge is to compensate for a complete accounting of each owner's livestock in a plural ownership shipment. If, in addition, a separate statement for each owner is rendered, then an additional charge is provided for this service. The amount that can be collected for these special services has been carefully limited and the charges can be assessed only to the extent that the services are utilized. This makes it possible for all shippers to get the benefit of the basic charge when the character of their shipments does not require this extra service. The shippers are thus relieved from paying for services not necessary to the proper marketing of their shipments.

It is the recommendation of the arbitrators that the schedules revised in accordance with the above provisions should be observed by all market agencies engaged in business at each of the markets involved and that no departure from the established schedule should be made except after an actual demonstration by a market agency that it can successfully and efficiently operate under a different schedule than the one herein proposed. A showing for such departure should [fol. 67] be based on the facts concerning the operations of the concern which seeks to change its schedule.

The arbitrators are duly appreciative of the confidence reposed in them, and if substantial justice results from their efforts they will be gratified at this opportunity to have served the industry.

In carrying out their duties the arbitrators have found it necessary to avail themselves of the assistance of many of those engaged in the various phases of producing and mar-

keting livestock. This assistance has been freely and cordially given by the market agencies and their staffs, the producers and their representatives, the staff of the Packers and Stockyards Administration and by many others engaged in the industry. For the cooperation and assistance given, the arbitrators desire to express their appreciation and to accord a full measure of credit.

(Signed) G. N. Dagger. (Signed) Howard M. Gore.

Date of Award July 24th, 1923.

Approved by Authority of Secretary, Henry C. Wallace.
(Signed) C. W. Pugsley, Acting Secretary, United States Department of Agriculture.

July 27, 1923.

[fol. 68] EXHIBIT B-1 TO PETITION AND COMPLAINT

Present Tariff

[fol. 69] The Chicago Live Stock Exchange

Office of the Secretary

Union Stock Yards, Chicago, Illinois

July 1, 1933.

To Commission Firms:

The following constitute the complete text of Rule X of the Rules of The Chicago Live Stock Exchange covering selling and buying commission charges, as approved by the United States Department of Agriculture:

Rule X

Section 1. The Commission for selling live stock shall not be less than the following rates:

Single Ownership—Unmixed Carload Lots

Cattle:

20 head or less, $17.00, and 75c per head for each additional head over 20 head, with a maximum of $21.00. When

a car contains less than 14 head, the "drive-in" schedule applies.

Calves—Single Deck:

50 head or less, $17.00, and 30c per head for each additional head over 50 head, with a maximum of $22.00.

Double Deck:

70 head or less, $23.00, and 30c per head for each additional head over 70 head, with a maximum of $28.00. When car contains less than 40 head, the "drive-in" schedule applies.

Hogs—Single Deck:

50 head or less, $13.00, and 15c per head for each addi-
[fol. 70] tional head over 50 head, with a maximum of $15.00. An additional charge of 30c shall be made for each full 500 pounds weight over 17,000 pounds.

Double Deck:

80 head or less, $18.00, and 15c per head for each additional head over 80 head, with a maximum of $23.00. An additional charge of 30c shall be made for each full 500 pounds weight over 27,000 pounds. When a car contains less than 40 head, the "drive-in" schedule applies

Sheep—Single Deck, $14.00.

Sheep—Double Deck, $20.00.

When a car contains less than 50 head, the "drive-in" schedule applies.

Section 2. Single Ownership—Mixed Live Stock

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	85c	$21.00	
Calves	35c	22.00	$28.00
Hogs	25c	15.00	23.00
Sheep	20c	14.00	20.00

Minimum of $16.00, and maximum of $26.00, on single-deck car. Minimum of $21.00, and maximum of $29.00, on double-deck car. When a car contains cattle and calves only, the minimum shall be $17.00 and the maximum $24.00

Section 2½—Plural Ownership—Carload Lots

Plural Owner Car Lots—Sold as Single Ownership:

When plural ownership car load lots of live stock are handled in the same manner as single ownership cars—that is, not weighed for ownership, marks, brands, or other identification and not prorated, but handled for market grades and classes only—the single ownership schedules shall apply.

[fol. 71] Plural Owner Car Lots, Handled For Ownership, Marks, Brands, or Other Identification:

When car loads of live stock require prorating, separate sorting, selling, or weighing for ownership, marks, brands or other identification, or at request of shipper, the following rates shall apply:

Unmixed Cars:

		Single-deck		Double-deck	
	Per head	Min.	Max.	Min.	Max.
Cattle	85c	$18.00	$22.00		
Calves	35¢		23.00		$29.00
Hogs	25c	14.00	16.00	19.00	24.00
Sheep	20c	14.00	16.00	20.00	22.00

An additional charge of 30c shall be made for each full 500 pounds weight of hogs over 17,000 pounds in single-deck and 27,000 pounds in double-deck.

Mixed Cars:

	Per head	Single-deck Maximum	Double-deck Maximum
Cattle	85c	$22.00	
Calves	35c	23.00	$29.99
Hogs	25c	16.00	24.00
Sheep	20c	16.00	22.00

Minimum of $17.00, and maximum of $26.00, on single-deck car. Minimum of $22.00, and maximum of $29.00, on double-deck car. When a car contains cattle and calves only, the minimum shall be $18.00 and the maximum $24.00.

Under this schedule no owner shall pay more than the maximum commission and extra service charges, if any, on single ownership car loads.

[fol. 72] Extra Services

Drafts:

1. Single Ownership—

When requested or necessary to grade or sort car lots of live stock of single ownership into market grades and classes, a charge of 15c shall be made for each draft over three drafts per deck—each draft to be represented by a separate scale ticket. Maximum charge, $2.00.

2. Plural Ownership—

When requested or necessary to grade or sort car lots of live stock of plural ownership for ownership, market grades and classes, brands, marks or other identification, a charge of 15c per draft shall be made for each draft over three per deck—each draft to be represented by a separate scale ticket. Maximum charge, $3.00.

Prorating:

When prorating is done a charge of 25c for each owner shall be made, with a minimum charge of $1.00 and a maximum charge of $2.50 for this service.

Individual Account Sales:

When individual statements are requested in addition to the master prorate sheet, a charge of 5c extra shall be made for each statement.

Section 3. Less Than Carload Lots.

On less than 14 head of cattle shipped in one car the commission shall be 90 cents per head, and provided, that on less than 40 calves shipped in one car the commission shall be 40 cents per head, and provided, that on less than 40 hogs shipped in one car the commission shall be 30 cents per head, and provided, that on less than 50 head of sheep or goats shipped in one car the commission shall be 20 cents per head.

Section 4. (A) Where a portion of a car is turned over for sale by the consignee to another member of the Exchange, the commission shall be charged at the rates as shown in Sections 1, 2, and 2½.

[fol. 73] (B) Live stock driven or hauled in shall be charged at the per capita rate as shown in Section 3, ex-

cepting sheep or goats, which shall be 20 cents per head, up to and including 70 head. Above 70 head, up to and including 125 head, shall be considered a single-deck. Above 125 head and up to and including 300 sheep or goats shall be considered a double-deck. On less than 50 head of hogs hauled or driven in and received and sold as one consignment shall be handled at the per head rate as shown in Section 3, of Rule X; 50 head or more at the single-deck rate as shown in Section 1, of Rule X, 80 head or more to be considered as a double-deck car when received on one day, belonging to one owner and sold as one consignment.

(C) On live stock forwarded from other markets, full commission shall be charged.

(D) In determining the application of the above rates of commission, the official count and classification of the Union Stock Yard & Transit Company shall rule in all cases.

Section 5. Members of this Exchange may sell live stock on this market for one-half the foregoing rates of commission when sold for the account of suspended members of this Exchange regularly engaged in selling live stock for non-residents on commission; or for the account of another commission salesman who is a member of this Exchange in good standing provided full rates are charged to the owner by the member for whose account such live stock is sold.

On live stock purchased on this market by registered traders, or registered market agencies, and without having been removed from this market, resold for the account of such purchaser, the commission shall be 40 cents per head on cattle, 20 cents per head on calves, and 5 cents per cwt. on the sale weight of hogs, sheep and goats.

Section 6. The commission for purchasing live stock shall not be less than the following rates:

Cattle bought in carload lots for either beef or feeding purposes, 50c per head, minimum $10.00 per carload, maximum $15.00 per carload. Pick-up cars of cattle where bought and picked up in three or more lots, the commission shall be $15.00 per carload. Bulls $15.00 per carload. Milkers and springers, $1.00 per head. Mixed carloads of cattle including milkers and springers, the regular charge [fol. 74] of $1.00 per head will be made for milkers and

springers, and 50 cents per head for others not to exceed $20.00 per carload.

Veal calves, single-deck carload $15.00; double-deck carload, $20.00.

For all cars of hogs weighing on an average of over 140 pounds, shipped in either single or double-deck cars, the charge shall be $10.00 per car. For all hogs averaging 140 pounds or less, shipped in either single or double-deck cars, the charge shall be $15.00 per car.

Sheep or goats for slaughter purposes, single-deck carloads $10.00; double-deck carloads $15.00. Sheep or goats for feeding or breeding purposes, single-deck, $11.00; double-decks, $16.00.

In instances where less than a carload of calves, hogs, sheep or goats are purchased, the commission charge shall be made in accordance with the provisions of Section 3 of this Rule.

[fol. 75] EXHIBIT C TO PETITION AND COMPLAINT

Proceedings, Findings of Fact, Conclusion and Order of January 8, 1934

[fol. 76] Department of Agriculture, Washington, D. C.

UNITED STATES OF AMERICA:

BEFORE THE SECRETARY OF AGRICULTURE, BUREAU OF ANIMAL INDUSTRY

Docket No. 402

SECRETARY OF AGRICULTURE

vs.

C. H. ACKER, Doing Business as C. H. Acker and Company; J. M. Corrick, Fred Hatch and P. B. Unthank, a Partnership Doing Business as Adams, Corrick and Hatch; Alfred E. Adler and John G. Adler, a Partnership Doing Business as Adler Sons and Company; Alexander, Conover & Company, a Corporation; W. C. Allen, Harry W. Aller, Louis Armbrecht Commission Company, A. C. Baker, E. H. Baker, and F. L. Heyne, a Partnership Doing Business as Baker, Heyne and Company; Clar-

ence N. Ball, C. S. Barry, Tom J. Barton and T. P. Looney, a Partnership Doing Business as Barton, Looney Company; H. L. Bell, G. A. Benton, Doing Business as Benton and Company Livestock Commission Merchants; Bowles Livestock Commission Company, a Corporation; F. J. Brennan, Doing Business as F. J. Brennan Company; Gideon Broberg, Willis H. Brott, Doing Business as Brott Livestock Commission Company; Geo. M. Brownson, Doing Business as Geo. M. Brownson and Company; L. W. Budd, Doing Business as L. W. Budd and Company; Chas. L. (Abe) Burnett, Doing Business as Abe Burnett and Company; Walter M. Burrows, Maurice J. Callahan, Doing Business as Callahan Livestock Commission Company; Harry L. Carpenter, Central Livestock Commission Company, a Corporation; Chicago Producers Commission Association, a Corporation; Eugene A. Clark, Doing Business as Clark, Bowles and Company; John Clay, Frank H. Connor, Alan F. Wilson and Chas. G. Smith, a Partnership Doing Business as John Clay and Company; N. W. Cochran, A. W. Henneberry and R. W. Wallace, a Partnership Doing Business as Cochran, Henneberry and Wal- [fol. 77] lace; Conklin Brothers Commission Company, a Corporation; H. D. Copeland and Company, a Corporation; H. H. Daniel, William Daniel, David Degen and Jos. J. Amschler, a Partnership Doing Business as Degen and Amschler; P. T. Dolan and Hokan Roll, a Partnership Doing Business as Dolan, Ludeman and Company; Edward F. Keefer, Doing Business as Doud and Keefer; P. E. Moore and E. A. Woods, a Partnership Doing Business as Drovers Commission Company; H. C. Dunbar, Doing Business as Dunbar, St. John & Company; H. L. Dunning, Doing Business as H. L. Dunning and Company; E. H. Egan, Doing Business as E. Egan and Company; Warren S. Egan, Doing Business as Owen C. Egan and Company; J. L. Ettlinger, Doing Business as Ettlinger Livestock Commission Company; Evans, Snider, Buel Commission Company, a Corporation; Farmers Stocker and Feeder Association, a Corporation; Farmers Union Live Stock Commission, a Corporation; Filler, Wilson and McClelland, a Corporation; Geo. Foale and Edw. Foale, a Partnership Doing Business as Foale Brothers; Leonard S. Foster, R. C. Foster, B. G. Fosterson, Wm. Gentleman, Wm. M. Gentleman, A. M. Gentle-

man, C. F. Gentleman and G. J. Gentleman, a Partnership Doing Business as J. A. Frazier and Sons (In Joint Operation with Wm. Gentleman and Sons); C. F. Freeman, Doing Business as Fred Freeman; I. O. Fry, Felix Gehrmann, Wm. Gentleman, Wm. M. Gentleman, A. M. Gentleman, C. F. Gentleman and G. J. Gentleman, a Partnership Doing Business as Wm. Gentleman & Sons (Operating J. A. Frazier Sons); S. G. Gillogly, R. E. Gillogly, F. D. Gillogly, and M. W. Gillogly, a Partnership Doing Business as Gillogly and Company; H. W. Williams and H. L. Johannesen, a Partnership Doing Business as Goggins and Williams; Geo. J. Greenwood, Doing Business as Greenwood Commission Company; Charles A. Hafner, Doing Business as Hafner, Nixon Company; Wm. Haime and Geo. Reneker, a Partnership Doing Business as Haime and Reneker; Chas. E. Harding Company, a Corporation; C. W. Hart, Doing Business as C. W. Hart Commission Company; John A. Havey, Hefner Commission Company, a Corporation; Geo. F. Hogan, Doing Business as Geo. F. Hogan and Company; E. Holloway, P. A. Ogren, Tex Holbert and E. J. Andrews, a Partnership Doing Business as Holloway and Ogren; Frank M. Huffaker, Jr., H. H. Hutcheson, Doing Business as Huffman and Hutcheson; Ingwersen, Mosier and Ingwersen, Inc., a Corporation; Iowa Live Stock Commission Company, a Corporation; W. O. Jennings, Doing Business as W. O. Jennings and Company; Robert E. Johnson, Doing Business as Robert E. Johnson Commission Company; Chris Jordan, Mike Tamble and John Permesang, a Partnership Doing Business as Jordan, Tamble and Company; Edward Joyce, Samuel Keating, J. B. Keller, P. H. Keller and J. H. Keller, a Partnership Doing Business as J. B. Keller and Sons; Kennett Murray [fol. 78] Company and B. F. Pierce, a Partnership, Doing Business as Kennett, Murray and Company; Lyman Keys, Doing Business as Lyman Keys Commission Company; Albert S. King, John Clay, Frank H. Connors, Alan F. Wilson and Chas. G. Smith, a Partnership Doing Business as C. A. Kleman; Dave Klopfer, E. Knettle, Doing Business as Knettle Brothers; E. H. Kuenster, Doing Business as Kuenster Live Stock Commission Company; John R. Lambright, Lyman A. Keys, and Wm. H. Huston, a Partnership Doing Business as Lambright, Keys and Huston; Edward J. Lawler, Doing

Business as Lawler Brothers and Company; Wm. J. Raff, Doing Business as John J. Lawler; Geo. H. Kelly, Doing Business as Lett and Kelly; McCausland, Hoag and Vaughan, a Corporation; C. A. McKelvey, Geo. J. McDonnell, Geo. E. Martin, W. A. Hanley and W. S. Burmister, a Partnership Doing Business as Martin Brothers and Company; Cyrus H. Martin, J. Lee Merrion and Russell Wilkins, a Partnership Doing Business as Merrion and Wilkins; Miller, White and Woods, a Corporation; B. F. Hubbird, Doing Business as Minteer, Hubbird and Company; C. H. Moberly, Moses E. Greenwald, Lee R. Hess and Arthur Ettlinger, a Partnership Doing business as Moog and Greenwald; Frank R. Mullen, Doing Business as Mullen Commission Company; Stewart Mullen, A. R. Monroe, Chas. Murby, Wm. J. Murphy, Doing Business as Murphy Brothers; A. R. Jenkins, Doing Business as Murray and McDowell, Mutual Livestock Commission Company, a Corporation; Will J. Nalley, Doing Business as Nalley Commission Company; Joseph F. Nash, National Live Stock Commission Company, a Corporation; Simon Newhof, Chas. A. Hafner, Doing Business as Nixon Live Stock Commission Company; C. E. Nixon, Northwestern Live Stock Commission Company, a Corporation; Harry J. O'Connor, Doing Business as H. J. O'Connor & Son, Will H. Palmer, Doing Business as Silas Palmer and Sons, W. C. Patterson, Doing Business as John Patterson and Son, W. A. Peterson and Wm. Turnbull, a Partnership Doing Business as Peterson, Turnbull and Company; Robert H. Pritchard, Doing Business as Pritchard Commission Company, John E. Quinn, Doing Business as Quinn Commission Company, Chas. R. Rice, Doing Business as Rice Brothers; Alex Rinderle, Doing Business as Alex Rinderle Company; W. P. Roach and J. B. Roach, a Partnership Doing Business as Roach Live Stock Commission Company; Chas. O. Robinson, Doing Business as Chas. O. Robinson and Company, Rosenbaum Brothers and Company, a Corporation; R. E. Compton and W. L. Compton, a Partnership Doing Business as St. John, Compton, Dunbar Company; Geo. Schrock, John P. Sarsfield and Joseph A. Sarsfield, a Partnership Doing Business as Sarsfield and Schrock

Commission Company; A. P. Schmal, Henry Schroeder, Doing Business as Schroeder Live Stock Commission [fol. 79] Company; F. W. Sheldon, Doing Business as Sheldon Commission Company; W. H. Sherwood and R. H. Sherwood, a Partnership Doing Business as Sherwood and Son; G. R. Sinclair, Doing Business as Sinclair Commission Company; R. E. Sinclair, John Smith and J. C. Eastes, a Partnership Doing Business as Wm. R. Smith and Son; L. Spencer, Doing Business as L. Spencer and Company; S. B. Stafford, Doing Business as Stafford Brothers; Standard Live Stock Commission Company, a Corporation; Adrian F. Starrett, Jr., and Michael E. Peschong, a Partnership Doing Business as Starrett Live Stock Commission Company; Geo. F. Stephenson, Doing Business as Stephenson Commission Company; A. F. Steward, Doing Business as Steward and McIlhany; Stockmens Livestock Commission Company, a Corporation; J. E. Strader and J. L. Strader, a Partnership Doing Business as Strader Brothers; J. J. Sullivan and J. C. Sullivan, a Partnership Doing Business as Sullivan Commission Company; Joseph J. Sullivan, Alonzo Gilmore and Charles J. Castenholz, a Partnership Doing Business as Swanson, Gilmore and Castenholz; Wm. B. Swiney, Chas. M. Swiney and Thos. E. Swiney, a Partnership Doing Business as Swiney Brothers; H. O. Thompson, Doing Business as H. O. Thompson and Company; Guy L. Wheeler and Thos. K. Polley, a Partnership Doing Business as United Commission Company; Geo. W. VonBerner, David C. Wagner, C. B. Waite, H. C. Walter and R. A. Walter, a Partnership Doing Business as Walter Brothers; C. A. Dunbar and Jas. H. Dunbar, a Partnership Doing Business as Walters and Dunbar; J. A. Waters, L. B. Werden, H. M. Wheeler, Wm. G. Norris, Doing Business as W. W. Wilson and Company; E. F. Woelfer, Doing Business as E. F. Woelfer and Company; Sam R. Wolfe, R. S. Whipple, Mrs. Kay Wood and Mary Ripple Wood, Co-Executors of the Estate of Kay Wood, Deceased, Doing Business as Wood Brothers; Glen K. Wood; Will C. Wood, Doing Business as Will C. Wood and Company; Thos. J. Sinnard, Willard A. Roberts and Walter D. Mills, a Partnership Doing Business as Yancey-Sinnard and Roberts; W. E. Young, Doing Business as W. E. Young and Company, Respondents.

Proceedings, Findings of Fact, Conclusion and Order

Proceedings

1. This is a proceeding under Title III of the Packers and Stockyards Act, 1921, instituted by the Acting Secretary of Agriculture according to his order of September [fol. 80] 23, 1932. By this order of inquiry and notice of hearing it was directed that an inquiry be made for the purpose of determining the lawfulness of any and all rates and charges of respondents, and of any rule, regulation, or practice affecting same, or the rendering of any stockyard service without making a lawful charge therefor.

2. Said order of inquiry and notice alleged that the respondents named therein were registered and doing business under the Packers and Stockyards Act, 1921, as market agencies engaged in the business of buying and/or selling in commerce livestock on a commission basis at the Union Stock Yards, Chicago, Illinois, which has been ascertained by the Secretary of Agriculture to be a "stockyard" as defined in Title III of said Act and posted as such; that in accordance with the requirements of said Act respondents had theretofore filed and put into effect schedules of rates and charges for services rendered by them as market agencies; and that a hearing under Title III of the Packers and Stockyards Act, 1921, as amended, should be held for the purpose of determining the lawfulness of any and all rates and charges of respondents and of any rule, regulation, or practice affecting the same, or permitting the rendering of any stockyard service without making a lawful charge therefor.

3. Notice of such hearing was given to the respondents named in said order by serving upon them a copy of said order and notice. Pursuant to this order and notice a hearing was held at Chicago, Illinois before an examiner designated by the Secretary of Agriculture, and said hearing began on May 15, 1933.

4. Prior to the beginning of the hearing an intervening petition was filed, under date of May 4, 1933, on behalf of those members of the Chicago Traders Live Stock Exchange who were not already respondents in the above-entitled cause. Said petition sets out a list of the members of said exchange and in their behalf it was alleged that

those members, except those who are order buyers and are respondents in this proceeding, are engaged in the business of buying and selling livestock at the Union Stock Yards, Chicago, Illinois; that in the course of the conduct of their business the various members of said exchange from time to time place with the various commission firms doing business at the Union Stock Yards, Chicago, Illinois, lots of livestock for sale; that on such livestock so sold by said commission firms said members of said exchange pay to said commission firms a commission on the basis of the [fol. 81] schedule of charges filed with the Secretary of Agriculture by market agencies doing business at said market, and that said rates are under investigation in the above-entitled cause. The petitioners represent that the rate fixed for selling all "seconds" by commission firms doing business at the Union Stock Yards, Chicago, Illinois, is a vital element of the business of the petitioners and that they should be permitted to be heard on the record before a rate is established. The petition prays that the petitioners be given leave to intervene and be treated as parties to the cause, with the right to have notice of and appear at the taking of testimony, to produce and cross-examine witnesses, and be heard in person or by counsel upon brief and at oral argument if oral argument is granted. Said petition for intervention was denied by the Acting Secretary of Agriculture on the 11th day of May, 1933, for the reason that intervention is not authorized under Title III of the Packers and Stockyards Act.

5. Those respondents who were members of the Chicago Livestock Exchange were present by counsel. Those respondents who were members of the Chicago Traders Live Stock Exchange, with the exception of Walter M. Burrows, C. A. Kleman, Farmers Stocker and Feeder Association, Kennett, Murray and Company, Dave H. Klopfer, C. A. McKelvey, were present by counsel who also offered his appearance on behalf of the dealers for whom the intervening petition had been filed. Permission to appear for the dealers who were not named as parties in the original order of inquiry was denied by the examiner. One of the two respondents who are cooperative market agencies and nonmembers of the Chicago Live Stock Exchange entered its appearance through its manager and president. The man-

ager of the other respondent cooperative agency entered his appearance for his firm.

6. At the opening of the hearing it was disclosed that certain market agencies had registered to engage in business subsequent to the time the order of inquiry and notice of hearing was issued. Under date of May 17, 1933, the Acting Secretary of Agriculture issued an order amending the order of inquiry and notice of hearing in this proceeding by including as parties respondent the following persons and firms: Clarence N. Ball; Willis H. Brott, doing business as Brott Livestock Commission Company: Wm. Daniel; P. T. Dolan and Hokan Roll, a partnership doing business as Dolan, Ludeman and Company; H. C. Dunbar, doing business as Dunbar, St. John and Company; Chas. [fol. 82] A. Hafner, doing business as Hafner Nixon Company; C. W. Hart, doing business as C. W. Hart Commission Company; H. H. Hutcheson, doing business as Huffman and Hutcheson; Robt. E. Johnson, doing business as Robt. E. Johnson Commission Company; Lyman Keys, doing business as Lyman Keys Commission Company; A. R. Monroe; Will J. Nalley, doing business as Nalley Livestock Commission Company; Harry J. O'Connor, doing business as H. J. O'Connor and Son; R. E. Compton and W. L. Compton, a partnership doing business as St. John, Compton, Dunbar Company; George F. Stephenson, doing business as Stephenson Commission Company; Guy L. Wheeler and Thos. K. Polley, a partnership doing business as United Commission Company; and Will C. Wood, doing business as Will C. Wood and Company.

7. It was further ordered that notice be given to the above-named respondents that a hearing would be held to determine the lawfulness of their rates and charges beginning May 26, 1933. A copy of this amended order of inquiry and notice of hearing was served upon each respondent named therein by registered mail, and counsel entered their appearance for these respondents as of the date on which the hearing began.

8. The hearing continued until August 18, 1933, and at that time it was adjourned to be resumed in Washington, D. C., on September 18, all parties agreeing to such an adjournment. The adjourned hearing was resumed on October 20, 1933, and continued through October 24, 1933, and

was again adjourned until November 3, 1933. The hearing was finally adjourned on November 7, 1933. Throughout the hearing counsel for respondent order buyers was permitted to question all witnesses as fully as if his petition for intervention on behalf of traders had been granted. Under date of November 24, 1933, counsel for respondent order buyers filed a written brief and argument for the order buyers and for the traders whose petition for intervention had been denied. Oral argument was had on December 13, 1933, before the Secretary of Agriculture, at which counsel for the Government, counsel for respondent commission firms, counsel for respondent order buyers, and the president and manager of the Chicago Producers Commission Association presented the issues in this case. Counsel for respondent order buyers was also permitted as a matter of courtesy to present argument on the merits of the contentions made by members of the Chicago Traders Livestock Exchange on whose behalf the intervening petition was filed.

[fol. 83] Findings of Fact and Conclusions

Upon careful consideration of the entire record in this proceeding, the following findings of fact and conclusions are made:

I—The Chicago Livestock Market

9. In the year 1865 there was established at Chicago, Illinois, a stockyard which is commonly known as the Chicago Union Stockyards. This stockyard is operated by the Union Stockyard & Transit Company, as a public market. It is here that producers and shippers of livestock can send their cattle, hogs, sheep, goats, mules and horses to be offered for sale to the buyers of the various classes and grades of livestock.

10. The location of the Chicago Union Stockyards is favorable from a standpoint of its access to the livestock-producing sections of the country, north, west, south, and to some extent, east of Chicago. There are other primary markets located at points west and south of Chicago. However, the Chicago market is regarded as the market of last resort for livestock which may not find a satisfactory sale at some of the other public markets. It also stands

midway between the livestock-producing sections and the large meat-consuming sections of the United States. Occupying this somewhat strategic position, the public market conducted at the Chicago Union Stockyards is regarded by the livestock industry as more or less the basic market for livestock.

II—Origin of Receipts of Livestock

11. The points of origin of receipts of cattle at the Chicago market lie principally in the States of Iowa, Indiana, Illinois, Wisconsin, Minnesota, Missouri, Montana, Nebraska, and South Dakota. The Chicago market receives the bulk of its hogs from the States of Iowa, Illinois, Wisconsin, Minnesota, Indiana, and South Dakota; and it receives the bulk of its sheep from Iowa, Illinois, Indiana, Wisconsin, Minnesota, Missouri, Montana, Nebraska, California, Colorado, Idaho, and Oregon. To some extent the Chicago market comes into competition within its trade territory with other central markets and packers operating at points where no central markets exist. The following table gives by species the total number of livestock marketed at seven central markets from the territory described above and the percentage of the total marketed at each:

[fol. 84]

Year	No. Marketed at 7 Markets	Per Cent Marketed at Chicago	Per Cent Marketed at Nat. Stkyds.	Per Cent Marketed at Kansas City	Per Cent Marketed at Omaha	Per Cent Marketed at St. Joseph	Per Cent Marketed at St. Paul	Per Cent Marketed at City Sioux
			—Cattle & Calves—					
1920	8,484,685	39.2	10.2	6.6	16.1	7.3	12.2	8.4
1921	7,465,641	42.8	10.1	6.3	16.3	6.9	10.3	7.3
1922	8,197,614	42.5	10.6	7.1	16.3	4.1	12.1	7.3
1923	8,416,347	42.4	10.0	7.0	16.4	4.3	12.1	7.8
1924	8,766,835	40.6	10.4	6.7	17.5	4.4	11.6	8.8
1925	8,530,403	37.5	10.5	5.9	17.2	4.6	14.3	10.0
1926	9,284,043	37.5	10.1	5.6	17.3	4.5	15.2	9.8
1927	7,491,226	44.4	12.0	4.6	14.7	3.3	13.3	7.7
1928	7,413,521	37.2	10.9	0	17.3	4.1	15.7	9.8
1929	7,104,740	35.9	11.0	3	18.0	3.9	15.5	10.4
1930	6,954,387	33.4	12.2	1	8.9	3.6	16.0	10.8
1931	7,132,693	32.9	11.8	6	19.9	3.4	16.5	10.9
1932	6,123,492	33.0	13.1	.4	19.6	2.9	17.3	8.7
			—Hogs—					
1920	14,031,235	51.7	11.8	1.3	5.5	3.2	14.4	12.1
1921	13,723,948	57.2	11.0	0.8	4.6	2.3	14.3	9.8
1922	13,845,388	56.0	10.2	1.2	4.0	2.5	16.2	9.9
1923	18,659,938	53.5	10.6	1.4	4.4	2.4	15.4	12.3
1924	19,318,741	52.1	10.1	0.9	4.2	1.4	15.8	15.5
1925	15,679,506	47.8	9.6	0.8	5.1	1.5	18.1	17.1
1926	13,845,712	47.5	11.3	0.7	4.8	1.6	20.6	13.5
1927	12,592,335	58.5	9.9	0.2	3.1	1.6	18.9	7.8
1928	14,487,001	50.0	11.8	0.1	5.9	1.2	17.1	13.9
1929	11,805,138	47.5	12.2	0.1	5.9	1.2	19.5	13.6
1930	11,031,088	44.8	12.2	0.1	7.0	1.0	20.6	14.3
1931	12,121,110	41.6	11.6	0.3	7.5	1.1	23.1	14.8
1932	9,814,538	42.2	12.3	0.0	7.5	0.8	24.1	13.1

[fol. 85]

	—Sheep—							
1920	7,692,514	37.8	7.0	10.6	28.1	9.1	5.9	1.5
1921	8,362,679	40.6	6.6	12.9	24.4	9.4	5.0	1.1
1922	7,033,199	37.4	10.2	9.1	28.6	8.4	5.0	1.3
1923	7,939,085	39.1	5.6	9.8	29.6	10.4	4.2	1.3
1924	7,807,096	39.2	5.0	9.5	28.6	11.5	4.4	1.8
1925	7,021,456	35.6	5.9	10.6	26.3	13.8	5.2	2.6
1926	8,325,471	37.3	5.4	10.8	24.6	13.1	5.9	2.9
1927	7,591,997	41.8	5.6	9.4	23.7	11.0	5.6	2.9
1928	8,233,329	28.3	5.1	11.2	29.6	15.8	6.5	3.5
1929	8,622,025	26.2	4.9	10.1	28.8	16.7	7.7	5.6
1930	9,646,876	27.4	5.0	10.5	27.0	14.0	9.2	6.9
1931	10,109,226	27.6	5.1	9.6	26.4	12.3	11.5	7.5
1932	7,897,884	29.0	7.1	7.7	24.7	12.5	12.9	6.1

[fol. 86] 12. Within that portion of the Chicago trade territory where its drawing power on livestock is greater than that of any other central market, so-called interior packers operate, namely, packers whose plants are located at points where no central markets are situated. Within the States of Illinois, Indiana, Iowa, Minnesota, and Wisconsin some fifty-eight such packing establishments were in operation in 1931. The purchases of these packers according to species in 1931 were as follows:

	From Public Stockyards	Direct from the Country	Total
Cattle	308,529	261,695	570,224
Calves	59,662	187,210	246,872
Hogs	1,606,164	5,901,429	7,507,593
Sheep	85,823	174,103	259,926

13. The livestock arriving at Chicago comes by rail and by truck. Rail receipts greatly exceed the truck receipts. The majority of the truck receipts originate within a distance of 250 miles of the market. The record contains an intensive study of the origin by counties of the rail receipts for the year 1927. The use of county lines defines trade territory more precisely than does the use of State lines. The record shows for this year the counties of origin classified on the basis of the comparative drawing power of ten important markets, namely, Chicago, Kansas City, Omaha, South St. Joseph, Sioux City, St. Paul, Denver, Wichita, National Stock Yards, and Sioux Falls. Those counties which sent to the Chicago public market a number of head of livestock representing from 75 to 100 per cent of the total rail shipments to all these ten markets were put in one classification, and those which sent from 50 to 75 per cent to Chicago were put in another. In a third grouping were placed those counties in which the drawing power of Chicago as compared with the other markets was less pronounced. The results of this study of relative receipts for the year 1927 are as follows:

[fol. 87]

	Total rail arrivals at the Chicago public market from counties designated by percentage of Chicago drawing power	The total rail arrivals at ten competitive markets, including Chicago from these designated counties	The ratio of Chicago rail arrivals from designated counties to total rail arrivals at the Chicago public market (expressed as a percentage of the latter)
Cattle and Calves:			
75% to 100% counties	2,559,811	2,650,743	73.05%
50% to 75% "	289,252	474,312	8.25%
Two combined	2,849,063	3,125,055	81.3%
Other counties	490,625		14.0%
Total receipts	3,339,688		95.3%
Hogs:			
75% to 100% counties	6,200,648	6,423,509	82.7%
50% to 75% "	672,770	1,061,793	9.0%
Two combined	6,873,418	7,485,302	91.7%
Other counties	600,820		8.0%
Total receipts	7,474,238		99.7%
Sheep:			
75% to 100% counties	1,811,145	1,870,450	48.2%
50% to 75% "	313,793	514,961	8.3%
Two combined	[redacted],124,938	2,385,411	56.5%
Other counties	[redacted],131,532		30.1%
Total receipts	3[redacted]6,470		86.6%

[fol. 88] III—Manner of Arrival of Livestock at the Market.

14. During the year 1932, livestock was delivered at the Chicago Union Stockyards by twenty-three railroads. Calves, hogs, and sheep, arrive both in single and double-deck cars. It frequently happens that a shipper will send his livestock in consignments consisting of more than one car. However, multiple car shipments are not as common now as in previous years. Several owners may consign their livestock in one carload. Livestock of mixed species is frequently consigned in the same car.

15. In recent years, the transportation of livestock to the public market by motor truck has developed, and this method of transportation has been increasing each year. Trucks transport livestock extensively over a radius of from one hundred to three hundred miles from Chicago.

There is no uniformity in the size of the trucks. Trucks vary in size from those carrying a few head to those carrying a half carload of stock or more. One owner may consign his livestock in several trucks or a number of owners may consign their livestock in one truck. Livestock of different species may be consigned in a single truck. The following table indicates the growth of the truck receipts of livestock, and the ratio which truck receipts bear to the total receipts at the market:

[fol. 89]

Year	Total rail and truck-in volume	Rail receipts		Truck-in receipts	
		Head	Per Cent	Head	Per Cent
Cattle					
1923.....	3,059,591	3,043,824	99.485%	15,767	.515%
1924.....	3,116,142	3,095,951	99.352	20,191	.648
1925.....	2,935,856	2,900,399	98.792	35,457	1.208
1926.....	3,140,613	3,088,765	98.349	51,848	1.651
1927.....	2,801,433	2,746,143	98.026	55,290	1.974
1928.....	2,429,526	2,358,512	97.077	71,014	2.923
1929.....	2,323,982	2,223,522	95.677	100,460	4.323
1930.....	2,164,141	2,035,024	94.034	129,117	5.966
1931.....	2,235,386	2,053,091	91.845	182,295	8.155
1932.....	1,964,849	1,666,590	84.820	298,259	15.180
Calves					
1923.....	705,721	701,259	99.368	4,462	.632
1924.....	743,438	739,484	99.468	3,954	.532
1925.....	764,358	757,956	99.162	6,402	.838
1926.....	655,540	647,955	98.843	7,585	1.157
1927.....	657,488	646,795	98.374	10,693	1.626
1928.....	680,518	656,978	96.541	23,540	3.459
1929.....	592,868	557,323	94.005	35,545	5.995
1930.....	505,974	460,012	90.916	45,962	9.084
1931.....	490,965	420,790	85.707	70,175	14.293
1932.....	406,701	317,608	78.094	89,093	21.906
Hogs					
1923.....	9,918,136	9,855,933	99.373	62,203	.627
1924.....	10,191,044	10,137,100	99.471	53,944	.529
1925.....	7,542,632	7,474,562	99.098	68,070	.902
1926.....	6,693,251	6,600,764	98.618	92,487	1.382
1927.....	7,106,175	6,957,924	97.914	148,251	2.086
1928.....	7,469,055	7,164,098	95.917	304,957	4.083
1929.....	5,854,609	5,475,128	93.518	379,481	6.482
1930.....	5,150,677	4,687,999	91.017	462,678	8.983
1931.....	5,270,971	4,588,296	87.048	682,675	12.952
1932.....	4,342,917	3,232,761	74.438	1,110,156	25.562
Sheep					
1923.....	3,518,249	3,512,214	99.828%	6,035	.172%
1924.....	3,610,328	3,600,819	99.737	9,509	.263
1925.....	3,151,703	3,135,218	99.477	16,485	.523
1926.....	3,585,143	3,563,579	99.399	21,564	.601
1927.....	3,065,423	3,026,214	98.721	39,209	1.279
1928.....	2,893,428	2,830,907	97.839	62,521	2.161
1929.....	2,715,339	2,626,841	96.741	88,498	3.259
1930.....	3,144,260	3,018,313	95.994	125,947	4.006
1931.....	3,369,232	3,199,293	94.956	169,939	5.044
1932.....	2,774,626	2,506,468	90.335	268,158	9.665

16. The above tables are based upon the total receipts of livestock by rail and by truck respectively, as compiled by [fol. 90] the Union Stock Yard & Transit Company, with the exceptions that the direct shipments to packers have been eliminated and the livestock which may be stopped at the stockyard for feed, water, and rest has not been included. The direct consignments to packers varied from 2.46% of the total cattle receipts in 1923 to 1.96% in 1932. The variation as to calves is from 6.81% in 1923 to 8.87% in 1932. The direct receipts of hogs in 1923 amounted to 4.56% of the total hog receipts at the market. This percentage steadily and rapidly increased until it amounted to 34.15% in 1932. In 1923, 13.52% of the total sheep receipts consisted of direct consignments to packers. This percentage had increased to 29.09% in 1932. The through consignments which stopped at the stockyard for feed, water, and rest constitute a very small proportion of the total receipts at the market, the average for each species during the ten-year period being less than ½ of 1%.

17. Some of the railroads have attempted to meet truck competition by the inauguration of a special rate on cars containing a minimum of 10,000 pounds. This sort of rate was adopted by seven of the carriers in September, 1932. Those rules are not uniform. Such rates are applicable only within certain zones, which vary somewhat in their extent. Under these rates, shippers can consign smaller lots by rail than formerly, and get the benefit of rates applicable to such consignments. The weight of the livestock contained in a car determines whether the regular rates, applicable to standard car shipments, will apply, or whether the truck competitive rate shall apply. In any event, the consignments originating within the specialized zones on carriers which have adopted this rate, are given the benefit of the most favorable rate. A test indicates that about two per cent of the cattle, calves, hogs, and sheep, shipped to the market by rail for the last four months of 1932, were shipped in cars to which the 10,000-pound minimum rates were applicable.

18. There are seasonal variations in the receipts, due primarily to the conditions under which livestock is produced and fed in the different sections of the country from which livestock is shipped. The following table shows the number of head of livestock received by rail and truck,

respectively, by months for the year 1932, handled by respondent commission firms:

[fol. 91[

	Cattle		Calves		Hogs		Sheep	
Month	Raif	Truck	Rail	Truck	Rail	Truck	Rail	Truck
Jan.	151851	21508	30173	6142	506375	99763	374247	24586
Feb.	135774	23329	28280	6217	388548	93172	254544	20130
Mar.	137354	24106	41265	6365	300054	66367	198848	12578
Apr.	122160	30689	37806	6840	257937	77108	196261	6836
May.	131328	30828	27997	6236	249105	78958	125729	5533
June.	116473	31525	27354	7658	205372	82061	77617	17284
July.	106155	23215	18576	6675	186192	83603	137123	17837
Aug.	142992	25499	22341	9156	242168	95562	240077	28708
Sept.	155911	22379	20585	9376	224609	97190	274013	30133
Oct.	177502	22541	21988	7808	211080	90859	234066	22511
Nov.	160140	22403	22111	7962	235287	99770	204645	35269
Dec.	123204	19275	16925	7467	251296	104745	196056	38548
Total.	1660844	297297	315401	87902	3258023	1069158	2513226	259953

19. There is also a variation in the number of head of livestock received from day to day. Livestock may be delivered at the stockyards any day, and with the exception of Sundays and a few holidays, it is offered for sale on the market each day. The receipts of cattle are generally much heavier on Monday than on any other day of the week. The second heaviest run of cattle is on Wednesday and the receipts on Tuesday and Thursday are slightly less. The receipts on Friday are much less than on any of the first four days on the week, and the Saturday business is very small. The hogs and sheep receipts are fairly well distributed over the first five days of the week, with a comparatively small run on Saturday.

20. Livestock can be delivered at the stockyards at any hour of the day. The bulk of it is delivered between three and eleven o'clock in the morning. Shippers generally endeavor to ship their livestock so that it can be prepared and offered for sale on the same day of its arrival at the market.

IV—Facilities and Services Afforded by the Union Stockyard & Transit Co.

21. The Chicago Union Stockyards is located on a tract of land lying on the west side of Halsted Street between 39th and 47th Streets. This tract of land is rectangular in shape, being approximately one mile long and one half mile in width. The stockyard consists of pens, alleys, runways, docks, and chutes. In addition to the pen area in

which cattle, hogs, and sheep, are received and offered for sale, this tract of land is occupied by buildings and facili- [fol. 92] ties used for other purposes. The pen area extends from 39th Street southward to 45th Street. Exchange Avenue, which is the main thoroughfare through the yards, extends east and west midway between 41st and 42nd Streets. Laurel Street extends from Exchange Avenue to the north end of the yard. These thoroughfares are provided by the Stockyard company for the convenience of the public in getting to and from the various parts of the yards.

22. The platforms, chutes, and holding pens, for the reception of livestock arriving by rail, are located along the northern end of the stockyards. There are ten platforms from which chutes lead into double chute pens. These chute pens are connected with the entire yard by an extensive system of alleys and overhead viaducts.

23. The hog houses are located at the north end of the yard, and consist of four divisions. The Rock Island Division and the Burlington Division are the most northerly divisions lying on the east and west sides of Laurel Street respectively. Immediately south of these respective divisions are the Cuba and Northwestern Divisions. Platforms Nos. 1 and 2 are located at the north side of the Rock Island and Burlington Divisions. South of these divisions are platforms Nos. 3 and 4. Immediately south of these platforms and on the north side of the Cuba and Northwestern Divisions are platforms Nos. 5 and 6. Just south of these divisions are platforms Nos. 7 and 8. Platforms Nos. 9 and 10 are immediately south of platforms Nos. 7 and 8. These platforms, chutes, and chute pens are used for receiving of livestock arriving by rail and, to some extent, for loading out livestock shipped from the stockyards.

24. The hog houses are double-deck structures, the lower deck being used for holding livestock for delivery to consignees or for shipment from the market as may be required. The upper deck is used by commission firms for sorting and selling hogs.

25. At the southwest corner of the yard are car unloading facilities, in what is known as the Texas quarantine division. Along the east side of the pen area and south of Exchange Avenue are platforms, chutes, and chute pens,

where livestock is loaded in cars for shipment from the market by rail.

26. Platforms, chutes and holding pens are maintained at different places on Laurel Street for the receipt of livestock arriving by truck and the loading of livestock shipped [fol. 93] from the stockyards by trucks. Similar facilities are maintained on a smaller scale in the southern part of the yards. There are also truck unloading chutes, maintained near the sheep houses for use in receiving sheep arriving by truck.

27. On each side of Exchange Avenue, and at the west side of the yards, are located sheep houses. Parts of the sheep house are of double-deck construction. The cattle division consists of pens, alleys, and viaducts, covering generally the area extending south from the hog division to 45th Street. The entire cattle division is on the ground level and unlike the sheep and hog divisions it is not under roof. A section in the extreme southern part of the yard is used by dealers for handling feeder cattle. There are other small sections of the yards which are set apart for special purposes.

28. There are nine scales in the sheep houses, twenty-one scales in the cattle division, and a like number in the hog division. These scales are conveniently located for the weighing of livestock.

29. Livestock arriving at the stockyards by rail for sale is usually consigned to some commission firm, but if not, the stockyard company gets advice from the delivering carrier as to the disposition to be made of it. When a train of livestock is set at one of the platforms, the conductor delivers the waybills to the receiving office of the stockyard company. This is an office maintained by the stockyard company on Laurel Street between platforms Nos. 4 and 5. An employee of the stockyard company announces the names of the consignees and consignors, car numbers, and number of head and species in each car. The stockyard company maintains crews of men who unload the livestock and make a record of the number of the chute into which each carload of livestock is unloaded. This information is posted near the unloading platform for the use of the commission firms, whose employees obtain delivery of the livestock from the stockyard company. Livestock arriving at

night, except sheep, is placed in suitable holding pens on the lower floor of the hog house, also in nearby cattle pens and hog selling pens. When cattle and hogs arrive during the day, usually after six o'clock in the morning, employees of the commission firms take delivery at the chute pens. Sheep arriving at any time are delivered to the pen of the commission firms by the stockyard company. Livestock arriving by truck is usually unloaded by the truck drivers. The stockyard company furnishes the truck driver a form [fol. 94] on which he records the name of the persons from whom and to whom the livestock is shipped, where the money is to be sent, and the number of head. This form is filled out before the livestock enters the stockyard, or upon arrival of the trucks at the yard. The livestock is received, counted, and placed in nearby holding pens of the stockyard company, or delivered to the commission firms at the chutes.

30. Livestock arriving dead in cars is placed on the platforms, when the cars are unloaded, and a rendering company gathers the dead animals up from time to time. The same company hauls away animals which die in the pens or alleys after being delivered to the commission firms. Crippled livestock is turned over to buyers of cripples who haul them from the yards. The crippled hogs are weighed before removal from the yard.

31. Feed is furnished by the stockyard company upon written order of the commission firms. The company hauls hay to the pens, breaks the bales, and scatters the hay in the mangers. In the hog yard there are corn boxes which hold 25 to 30 bushels of corn. There are employees of the stockyard company stationed in the hog yards who take corn from these boxes and scatter it in the pens as ordered by the commission firms. The pens are equipped with facilities for watering. Employees of commission firms usually turn on the water as needed. The stockyard company cleans the pens.

32. After livestock is delivered to the commission firms, the stockyard company does not receive custody of it again until after it is weighed, unless it is held over night. Livestock held over is locked up by the stockyard company and

held by it until delivered to the commission men, the next day.

33. The stockyard company owns and operates all scales on the stockyard used for weighing livestock. When livestock is taken to the scales to be weighed by an employee of the commission firm, he announces to the weighmaster from whom and to whom the livestock is to be weighed. The weighmaster writes that information on the scale ticket of which four copies are made. Another man employed by the stockyard company, known as a scale counter, makes out another form containing the same information. After livestock is weighed the weight is registered on the scale ticket. The weighmaster gives a signal that the livestock has been weighed, and the scale counter counts the animals off the scales. He calls the number of head to the weighmaster, [fol. 95] who records the number on the ticket. At the cattle scales the man who has the next lot of livestock to weigh drives the preceding lot off the scales. At the hog scales stockyard employees drive the hogs off the scales. The sheep are driven off the scales by the commission men. Employees of the stockyard company receive the livestock from the scales and yard it in convenient places for the buyers. In some instances, the buyers may take delivery of their livestock at the scales. The scale counter shows on the form used by him the number of head and the block and pen number where the livestock is yarded. When livestock is bought by an order buyer, it is held in pens by the stockyard company until the order buyer is ready to have it shipped.

34. For its services the stockyard company assesses a charge upon each head of livestock. It also makes a separate charge for feed and feeding at regular published rates. These charges are assessed against the owners or shippers of the livestock. The stockyard company also renders special services, such as dipping, spraying, branding, testing, and immunizing, and for such services special charges are made and assessed against the persons requiring those services.

35. The general superintendent of the stockyard company allots pens to the various firms and individuals doing business at the market. Pens are not leased and are not assigned for any specified period. The stockyard company

reserves the right to change at any time the allotment of pens, both as to location and number of pens assigned. Usually the firms and persons which have been in business for the longest time at the market obtain the locations which are more advantageous for carrying on their operations.

36. On Exchange Avenue at Laurel Street the stockyard company maintains a general office building in which offices are leased to those engaged in business at the market. This building is known as the Livestock Exchange Building. Bills for rent are presented in advance and are usually paid in advance. The stockyard company bills the commission firms weekly for the feed and such bills are supposed to be paid weekly. The yardage charges are billed to the commission firms daily and collected semi-weekly. Those engaged in business at the market furnish a bond to the stockyard company guaranteeing payment of all proper charges except in the instances where firms are cleared by other firms. In such cases the clearing firm gives the bond. The stockyard company pays the freight on incoming shipments by rail and, in turn, collects it from the commission firms semi-weekly.

[fol. 96] 37. The stockyard company adverfises in livestock papers in an endeavor to attract shipments to the Chicago Union Stockyards. It also has representatives who solicit business in the country, their activities extending quite generally over the entire trade territory of the market. The stockyard company mails out circulars to shippers and others. It also promotes the International Livestock Exposition which is regarded by it as a means of attracting business to the market. The efforts made by the stockyard company to attract business are made without regard to any particular firms engaged in business at the market.

V—Special Services Available at the Market Place

38. There is a livestock checking service at the market maintained by independent operators who extend the service to all who choose to use it. Upon the arrival of livestock, they obtain information in regard to the train number, the platform, railroad, time of arrival, shipper's name, number of the chute into which the livestock is unloaded, the number of head, and the number of "cripples" or "deads" if

any. This information is placed on a card and the cards are distributed in boxes where the yard men for the commission firms can go to ascertain what livestock has arrived. Yard men sign the cards covering the livestock which they are going to drive, and the cards are then turned over to the offices of the commission firms. This systematic procedure eliminates confusion and expedites operations of the commission firms. The service is available to those commission firms which choose to employ it and there are only a few firms which do not use it. It is furnished on the basis of a service charge depending upon the volume of business handled. A similar service is maintained in connection with the arrival of livestock by truck.

39. There is a clearing house operated at the market. This house maintains a messenger service which consists in the gathering of the bills from commission firms and delivery of the same to the purchasers of livestock. The checks in payment for the livestock are gathered up from the offices of the different buyers and distributed to the offices of the commission firms. This service is used by all the commission firms, packers, order buyers, and traders on the market. The usual charge for this service is $10.00 per month.

40. The Bureau of Agricultural Economics of the United [fol. 97] States Department of Agriculture maintains a market reporting service at the Chicago market. This office has its staff of market reporters who obtain information regarding the receipts and prices of livestock. Through contact with the principal railroads entering Chicago, information is obtained as to the number of carloads of livestock which each road expects to deliver in time to be included in the current day's receipts. This information is tabulated and made available on the market at 6:00 o'clock in the morning. Also the estimated number of head of direct receipts to the packers is made available. There are similar offices at other principal livestock markets and these offices are connected by a leased wire so that information relative to the receipts at other markets is readily obtained. These reports are posted on the bulletin board in the Exchange Building. Shortly after the market opens a reporter assigned to each division interviews salesmen and buyers to ascertain at what prices sales have been made. The market

reporters also ascertain the facts with respect to supply, demand, and trend of prices of fresh meats. This information is made available locally and wired to the large consuming markets in the east and to the principal livestock markets in the producing areas. Throughout the day this type of information is assembled and distributed. This distribution is made by telephone, telegraph, and through mimeographed reports and the information is given to others who disseminate it by radio. From reporters located in various States, this office obtains and disseminates information bearing upon conditions in the livestock producing areas of the country. Summaries of statistics as to prices and movements of livestock are made from time to time and given to the public. Some of these reports are made daily; others, weekly; and others, monthly. During the month of April, 1933, such mimeographed reports were distributed by mail to more than 60,000 subscribers.

VI—Distribution of Livestock Receipts

41. Substantially all of the livestock received by the respondent commission firms at the Union Stockyards is sold for slaughter or for feeding and breeding purposes. That which is suitable for slaughter purposes is purchased either for local slaughter by packers and butchers in Chicago, or for shipment to packing plants at outlying points. Packers are usually represented on the market by their employed [fol. 98] buyers. Generally the small butchers who operate locally in Chicago do the buying for themselves. Livestock purchased by packers for shipment to their plants outside of Chicago usually engage the services of regularly established order buyers. In addition to the packer buyers and order buyers, the buying side of the market is also represented by dealers, who are commonly referred to as "traders," or "speculators." The dealers buy livestock on the market and resell it themselves, or have it sold by commission firms. The function of the trader is chiefly the buying of various lots of livestock and resorting it into grades or classes suitable to the particular demands of the trade. They also deal in livestock suitable for reshipment to the country for breeding and feeding purposes. To some extent, feeders and farmers come to the market and buy livestock themselves. Not all livestock received at the

stockyards for slaughter is consigned to or sold by commission firms. There are some cattle and sheep and a very substantial number of hogs which are purchased elsewhere by packers and consigned to them at the stockyards. Such livestock is moved direct from the stockyard to the packing plants for slaughter. The number of head of cattle, calves, hogs, and sheep, respectively, shipped from the stockyards during the past ten years are as follows:

	Cattle	Calves	Hogs	Sheep
1923	1,053,541	51,216	2,369,501	1,413,938
1924	1,058,065	49,398	2,989,326	1,380,735
1925	943,549	58,428	2,395,193	1,108,956
1926	1,012,910	48,193	2,108,120	1,443,348
1927	901,024	36,999	2,112,732	1,038,271
1928	735,965	26,716	2,144,996	1,127,725
1929	729,421	28,496	1,831,244	1,117,680
1930	693,705	15,954	1,786,295	1,311,435
1931	778,896	31,605	1,700,212	1,425,951
1932	633,289	31,516	1,035,684	915,051

42. The following table shows the number of head of feeder cattle and calves, and feeder sheep contained in the foregoing shipments:

[fol. 99]

	Cattle & Calves	Sheep and Lambs
1923	294,700	681,840
1924	258,272	706,745
1925	229,929	596,047
1926	239,738	790,635
1927	168,193	501,841
1928	164,203	436,468
1929	165,635	523,676
1930	141,413	371,153
1931	172,975	396,912
1932	144,600	212,725

The slaughter of livestock by packers in Chicago for the past three years is as follows:

	Cattle	Calves	Hogs	Sheep
1930	1,545,337	540,707	6,861,593	3,023,671
1931	1,507,662	515,141	6,902,631	3,063,480
1932	1,372,456	415,326	6,375,742	3,700,134

To a large extent, the livestock purchased by packers at points outside of Chicago and shipped direct to their plants in Chicago is consigned through the Union Stockyards. However, some of the plants receive at least a portion of their receipts direct at their plants without having them consigned to the stockyards.

VII—Business in Which Respondents Are Engaged

43. It is the privilege of the owner to sell this own livestock on the market. This is rarely done. Owners do not always accompany their livestock when it is shipped to the market and when they do they are not sufficiently acquainted with buyers and with the methods of procedure followed in sorting, showing, and selling livestock to be able to perform the selling service by themselves. The system for handling and selling of livestock which has been developed on the market is somewhat complicated, and it is necessary for one who undertakes to sell livestock on the market to be familiar with the routine of the market place. Under these conditions regularly established agencies, located at the market, hold themselves out to receive and sell livestock for those who consign livestock to the market. These same agencies hold themselves out to buy livestock for those who desire to have purchases made for them. This is the [fol. 100] business in which most of the respondents are engaged. Usually the amount of buying done by them is very small compared with their selling business. They are usually referred to as "commission firms." Others of respondents are known as "order buyers." They do no selling but they confine their activities to buying livestock on order. Most of the respondents in this proceeding handle the three species—cattle, hogs, and sheep. There are two commission firms, however, which confine their business solely to selling and buying sheep on a commission basis. One of the respondent order buyers limits its activities to buying sheep.

44. No special type of business organization is required in the conduct of the business in which the respondents are engaged. Some are corporations, some are partnerships, and others are individual proprietorships. Two of the respondents are organizations made up of the producers and incorporated to operate on a cooperative basis.

VIII—Services Rendered by Respondent Firms

45. There is a wide variation in the character of the organization set up by each of the respondent commission firms for handling its business. Generally speaking there are two distinct types of work involved in selling livestock on a commission basis. One phase of the work concerns itself with the physical handling and selling of livestock in the yard. The other phase relates to the work in the office necessary to collect and account for the proceeds of sale of the livestock. Usually men trained in these respective branches of the work are employed to perform the necessary details. However, there is flexibility in the organizations. Some office men help in the yard in the early part of the day, and yard men often help in the office in the later part of the day after the yard work has been completed.

46. The yard organization is made up of salesmen and yardmen. The degree to which the work in the yard is specialized varies. Some salesmen perform yard work and frequently yardmen will do some selling. Most of the respondent commission firms have their work organized by departments as far as yarding and selling service is concerned. For example, a staff of salesmen and yardmen is assigned to handle cattle and another staff is assigned to handle hogs. Some firms have a separate sheep department. Generally speaking the work in the cattle division is [fol. 101] divided between the steer department and the butcher department. The butcher class of cattle includes generally cows, calves, and bulls. Heifers may be handled either in the steer alleys or in the butcher alleys, depending upon conditions. Salesmen are assigned to each of these two divisions. However, it is a common practice for all cattle salesmen to assist each other from time to time as conditions may demand. The yardmen in one department frequently help those in another department and in some instances, salesmen assigned to the selling of one species assist salesmen engaged in selling another species. It is the general practice for salesmen to confine their efforts to one species.

47. Some of the respondent commission firms do not receive enough livestock of a given species to enable them to maintain a selling and yarding force to handle it. This is especially true with respect to sheep. In such cases, ar-

rangements are made with other firms to handle and sell the sheep or a sheep salesman is employed jointly by a number of firms for that purpose. There are several sheep salesmen on the market who hold themselves out to work as joint employees. When sheep are sold for a commission firm by a joint employee or by another firm, the salesman does all the work of yarding and selling. As a rule, he charges a percentage of the regular commission rates or a certain stipulated rate per head or per car. The usual office work required in accounting for the sheep is performed by that firm to whom the sheep are consigned.

48. The selling operations are supposed to begin about eight o'clock in the morning. Therefore, it is essential that the livestock be fed, watered, sorted, and prepared for showing to the buyers as early as possible. Usually yardmen arrive at the yard about 6:00 o'clock in the morning, or earlier, for the purpose of performing their duties. They ascertain if any special instructions have been received from shippers in regard to the handling of their livestock. They then go to the receiving office and obtain information as to the livestock which has arrived for their respective firms. If livestock has arrived during the night, they determine where it has been yarded by the stockyard company and if it is delivered in the morning, they ascertain into what chute pens it has been unloaded. They then go to employees of the stockyard company, known as the "key-man" and obtain delivery of the livestock. Delivery is made by counting the animals as they pass out of the pen into the alley. The livestock is then in the custody of [Fol. 102] the commission firm. The yardmen proceed to drive the livestock in the case of cattle and hogs to the sales pens of the respective firms. Some of the respondent firms have pens assigned to them near the unloading chutes. Others have their pens at the farthest end of the stockyard. The location of the pens makes some difference in the time required to drive the livestock. Conditions as to the congestion of the yard also have a bearing upon the time required. During periods of heavy runs, more time may be required than during the periods of light receipts. There are those individuals about the stockyard who make themselves available for driving livestock at a specified rate for each lot driven. They are known as "trippers" and on occasions of large receipts some of the respondent commission

firms employ extra help of this character. The driving of livestock so as to expedite its delivery to the pens and at the same time not cause any injury to the animals, is an important consideration in the proper performance of a yardman's work. Also it is important to prevent livestock from getting mixed. In the case of truck consignments, they may mark the livestock with some sort of identification marks and drive the livestock of several owners at one time. This is done in order to conserve time in handling small lots. There are times when one yardman may drive several carlots of livestock at once. This is done by operating the gates which are located at convenient intervals along the alleys. The condition in which livestock arrives and other conditions such as the weather may have some influence on how livestock is handled after it is delivered to the pen. Ordinarily prompt steps are taken by the yardmen to feed and water the livestock. The head yardman for each commission firm usually orders the feed from an employee of the stockyard company, who is in charge of feed. The yardmen see to it that the feeding and watering are properly done. They do not usually sort any livestock themselves except in the case of cattle, which they may sort between the steer and butcher alleys. The work of the yardmen requires skill and judgment in the handling of livestock and those qualifications are the result of training received in the yard. They are employed at the beginning to do the simplest sort of driving service by way of assisting regularly experienced men. Gradually as they become proficient and reliable they are given greater responsibilities in handling livestock.

49. Salesmen frequently drive livestock and perform other tasks of the yardmen. The extent to which they do [fol. 103] the work of yardmen varies among the commission firms. Often in a firm with a compartively small volume of business, the owners will perform most of these services in addition to doing the selling. The salemen go out upon the yard some time before the market opens, look over the day's receipts, and sort the livestock according to grade and quality so that it will suit the requirements of the buyer. Before going to the yard, salesmen ascertain what instructions they may have from the shippers in regard to the sale of the livestock and inform themselves with respect to the receipts at Chicago and other markets, the

dressed meat trade, and other factors which may influence prices. They also keep themselves informed throughout the day in regard to any changes in supply or demand which might affect their judgment as to values. After the livestock has been shaped up by the salesmen with the assistance of the yardmen it is then ready to be shown to the interested buyers. Salesmen and buyers are generally acquainted with each other and know their peculiarities as to methods of trading. It is a general practice of the buyers to go through the alleys and ascertain the supply of the various grades and classes of livestock which are available. If a buyer is interested in a lot of livestock, the salesman takes him into the pen, shows the livestock, and makes an offer. The buyer if not willing to pay the price asked, may make a bid. If no sale is consummated, the buyer leaves, and then the livestock is shown to another buyer. By the process of offers and bids, the trend of the market is eventually established and the livestock is sold. There are days when the market may be very active and again there are days when it is slow and draggy. It may vary from hour to hour during the day, and it may also vary as to the different classes and grades of livestock. These changes may make necessary a re-sorting or re-assembling of livestock to meet changed demand. These conditions have the general effect of making an early clearance of a late clearance according as the market is active or slow. Trading is supposed to be completed at three o'clock in the afternoon. Sometimes a commission firm does not sell all its livestock and that which remains is held over until the next day. In such an event the livestock is turned over to the stockyard company which takes custody of it for the night and delivers it to the commission firm the next morning. There are occasions when for peculiar reasons livestock may be held for a period of several days or several weeks. However, those occasions are rare. Livestock is regarded as more or [fol. 104] less perishable in character and each commission firm endeavors to dispose of its receipts upon the day of arrival. It is the custom of the market to sell each owner's livestock upon its merits, requiring the sorting and selling of livestock for ownership where it is consigned in cooperative shipments. However, it happens that in some cooperative shipments, the different owners will have livestock of the same grade and quality and salesmen will sell it accord-

ing to grade and later weigh each owner's livestock separately. Usually in cooperative consignments, the livestock of each owner is weighed at the point of origin and the weight sheet is sent to the commission firm to which the livestock is consigned. If the livestock of different owners is sold on grade in such cases, it may be weighed together and the weights pro-rated on the basis of home weights. Frequently in truck consignments livestock of different owners is graded and sold on grade and then weighed for ownership. The salesman can obtain better results from this method of procedure for the reason that it enables him to present livestock in more attractive lots to the buyers.

50. After livestock is sold, it is driven to the scales by the commission firms to be weighed. This is the work of the yardmen, although some salesmen assist, and in some instances the salesmen do it themselves. At each of the scales in the hog house there is a man employed jointly by the Commission firms and others weighing at the scales, who takes the responsibility of directing the turns of the different firms assigned to weigh at the particular scales. This avoids confusion and prevents delays. The turn director allots time to each firm on some equitable basis. When a number of small lots of livestock is to be weighed by a firm, a yardman often takes several lots together and sorts them at the scales. This is done more frequently in weighing cattle than it is in the weighing of other species. As soon as a lot of livestock is weighed the yardman receives two copies of the ticket which he delivers to the salesman, who marks on one of the tickets the price at which the livestock is sold. The scale tickets are delivered to the office where the accounting work is performed.

51. Some of the livestock handled by traders is placed with commission firms to be sold. Such livestock is commonly known as "seconds." The trader delivers the livestock at the alleys of the commission firms, and frequently such livestock has already been fed. In preparing and [fol. 105] showing such livestock for sale, commission firms perform the same service as is performed for shippers. After such livestock is sold it is taken to the scales and weighed by the commission firm. Sometimes salesmen encounter difficulty in selling livestock belonging to traders for the reason that it looks stale or the buyer may object to it on account of being overfilled. Often the trader places a

price upon the livestock below which he instructs the commission firm not to sell. There are occasions when shippers place a minimum price upon their livestock. This practice, however, appears to be more prevalent in the handling of traders' livestock. If, for any reason, a commission firm does not sell the traders' livestock, the trader takes possession of it at the close of the market and drives it away to other pens, and does not return it to the same commission firm for sale the next day.

52. Occasionally when commission firms are unable to dispose of livestock and after making all possible effort to do so, the livestock may be taken to another firm whose pens are located elsewhere in the yard. If the second firm succeeds in selling the livestock the first firm gives it one-half of the regular commissions. Such sales are usually referred to as "splits." These are rather unusual occurrences.

53. There are occasions when commission firms effect a sale of livestock in the country. This is done more or less as a matter of accommodation and for the convenience of customers. As a general rule the regular commissions are charged on such sales.

54. There is a wide variation among respondent commission firms in the type of office organization maintained. This depends somewhat upon the character and volume of business handled. The larger firms have an office manager, cashier, clerks, and stenographers. Their work is more or less specialized. In other firms the office work is done by a few people who perform all types of service required. In some instances the owners of the firms, in addition to doing the yarding and selling, do practically all of the office work. Upon receipt of the scale tickets in the office the amount for which each lot sold is calculated and bills are rendered to the buyer. These bills are collected and distributed by the messengers from the clearing house. The tickets are then sorted to determine whether all livestock contained in each consignment is accounted for. Account sales are then prepared upon which the details with respect to the transaction [fol. 106] are given. The number of head, weight, price, and proceeds of each draft in the consignment are shown. The items of expense incident to the marketing are then entered on the account sale. The railroads entering Chicago

maintain a joint office in the Exchange Building, through which all business is transacted with respect to the collection of freight charges, delivering, switching orders, car-loading lists, and making waybills. On arrival of the waybills the freight is billed to the commission firms at the minimum weight and rate on the car. If the weight is in excess of the minimum the commission firms figure the amount of the freight. If the weight is under the minimum the commission firms return the bills to the freight office in order to have the freight figured on the basis of the truck-competitive rate if such rate is applicable. The freight office maintains a force of employees which handles these matters expeditiously. The car number, weight, rate, and amount of freight are shown on the account sale. Other usual items of expense on the consignments to the yards by rail are for yardage, feed, commissions and insurance. There are special items which may have to be recorded. In the absence of objection by the shipper there is a deduction made for the support of the National Live Stock and Meat Board, which is an organization representing all branches of the industry for the purpose of promoting the consumption of meat. This is a stated amount per car. If there is transit insurance the local office of the insurance company furnishes to the commission firms the information with respect to the charges to be deducted to cover the premium. On each carload of hogs a stated charge per car is made for maintaining a system of hog dockage. If any livestock is subject to a charge for inspection for brands that information is furnished to the commission firms by the local brand inspector and a specified charge is deducted to cover the cost of that service. At the request of a lamb feeder association in certain states the commission firms deduct from the proceeds of sale of sheep and lambs for members an amount to aid the organization in its work. All items of expense and deductions are calculated and the net proceeds determined. The commission firms maintain in their offices a list of the loans on livestock made by the United States Government through the Regional Agricultural Credit Corporations. This list is checked in order to determine whether in any consignments there is livestock covered by mortgages to secure such loans. Commission firms may [fol. 107] have information in regard to mortgages held by banks or others. In all instances where there are mort-

gages on the livestock such action is taken as is necessary to insure that the proceeds of sale are remitted to the proper parties.

55. A similar procedure is followed in making up the account sales covering truck consignments of livestock. Instead of freight charges the commission firms calculate the truck charges at the rate furnished by the truck driver at the time he fills out the consignment slip. Other items of expense and deductions are substantially the same as in the case of rail shipments.

56. In preparing account sales covering cooperative shipments it is a general practice to prepare a master pro-rate sheet covering a single consignment. The expenses are prorated among the owners and a separate account sale is then prepared covering each owner's livestock. This procedure usually entails additional work depending upon the number of owners, and to some extent upon the number of drafts involved.

57. The account sales rendered to traders covering the sale of their livestock are prepared in the same manner as described for shippers' account sales. However, the items of expense are fewer in number. Yardage, commissions, and sometimes feed are the items of expense charged to the trader. No prorating is involved.

58. After the preparation of account sales is completed the remittances are made. The commission firms get their remittances out on the da of the sale of livestock. There are different ways in which the proceeds are remitted to the shippers. The most common method is by check accompanying the account sale. The shipper may give specific instructions as to how he wants his remittance made. If there are no instructions the commission firm checks its records to see how the shipper had his remittance made on previous shipments. Often the money representing the proceeds of a sale of livestock is remitted through banks and deposited to the credit of the shipper at his local bank. The commission firms determine whether the banks are in business and whether the procedure followed in making previous remittances will be satisfactory. In a small percentage of cases the money is sent by postal money order and by express. This method was used more extensively during the period of the recent bank moratorium. The remittance

[fol. 108] of the proceeds of sale of traders' livestock is made by check to the firm through which the trader clears. This is handled through the clearing house.

59. It is the common practice for the salesmen to write letters to the shippers at the time the remittances are made. The purpose of this is to inform the shipper as to the conditions of the market and any peculiar matters of interest relating to the sale of the livestock. With the growth of truck business and the shipment of livestock in small lots it is not practicable for the salesmen to write letters to all shippers when their remittances are made.

60. Some of the respondent order buyers operating at the market are registered to engage in buying all classes of livestock. However, some of them maintain a staff of buyers for only one species of livestock, inasmuch as their orders for other species are so small as not to warrant the maintenance of a buyer. In such cases arrangements are made with order buyers who do specialize in those species to do their buying for them. Most of the orders for the purchase of livestock come from packers and butchers located at points east of Chicago. These orders are received by telephone and telegraph. It is the custom for order buyers to go through the yards early in the morning to determine what grades and classes of each species are available and the supply of each. Inasmuch as order buyers are familiar with the classes and quality of livestock used by their customers they may advise them in regard to the supplies available on the market. When orders are received the customers may stipulate a price but more often the buyers are allowed to use their own judgment as to the price paid. Order buyers usually buy selected grades and it often becomes necessary to buy small lots here and there in order to get the kind desired by the customer. Most of the orders received are for the killing classes of livestock and in buying the better grades of that class it is often possible to buy them in large lots. The order buyers also receive orders for feeding and breeding classes of cattle and sheep. As a rule such orders require more work in selecting the livestock because the supplies may be limited and it may take several days before such orders can be filled.

61. Respondent commission firms also engage in order buying but that is a relatively small part of their business. Their orders are usually received from their customers who are interested in obtaining livestock for breeding and feed- [fol. 109] ing purposes. However, some of them do buy the killing classes of livestock occasionally. Their buying operations are conducted by the regular salesmen. That business is not of sufficient volume to warrant the employment of special buyers. Their buying operations are carried on in the same manner pursued by the order buyers.

62. After livestock has been purchased suitable for filling an order some sorting may be required. The order buyer with the assistance of his yard help does this. Livestock purchased on order is yarded in pens and held by the stockyard company until an order is received to load it. The order buying firms gives an order for the desired number of cars and gives directions to the stockyard company in regard to the livestock to be loaded. The employees of the stockyard company gather up the livestock and load it on the cars. Usually the buyers for the order buying firms or their yardmen are present when the livestock is loaded to see that the livestock intended for the different customers is not mixed, that the cars are properly bedded, and that everything possible is done to assure the delivery of the livestock to the customer in the best possible condition. When breeding stock and stockers and feeders are purchased to be shipped to the country, it is necessary to comply with the Federal and State laws governing tests before shipment. The order buying firms give the orders to the proper authorities to have the tests made and look after the feeding and care of the livestock while on test.

63. Account purchases are prepared by respondents covering purchases made on order. An account purchase usually contains the date of the shipment, the name of the customer, the location, the name of the commission firm from which the livestock is bought, the number of head, weight, price, total weight, the railroad over which the shipment is made, the charges, the average weight, and total cost. The items of expense entered on an account purchase are commissions, fire insurance premiums, feed, if any, deduction for the National Livestock and Meat Board, and the

charge for exchange, which is the charge on the draft drawn against the customer. The account purchase and the scale ticket are mailed to the customer. These are accompanied by a letter from the order buyer. A telegram is also sent to the customer advising him of the purchase, giving him the average weight and the cost. A draft is drawn on the customer and deposited with the bank for collection unless the customer has made other arrangements for the payment [fol. 110] of the livestock purchased for him. The order buyer is given credit by the bank as soon as the draft is deposited.

64. Respondent commission firms are required to give a bond conditioned upon the faithful and prompt remittance of the proceeds of the sale of livestock. Their bond and that of the respondent order buyers are also conditioned upon the safekeeping of funds coming into their hands for the purchase of livestock and the payment for all livestock purchased.

65. Some of the order buyers do some trading on their own account. They may see what appears to be a bargain, buy the livestock and resell it on the market. Such transactions as a general rule are kept separate from their order buying business.

66. Many of the respondents do not maintain their own independent organizations for handling their business. There are arrangements whereby a regularly established market agency performs some or all of the office, yard, and selling functions for other individuals or firms. This arrangement is generally known as "clearing." The arrangements are not entirely uniform. The condition is brought about by the fact that many firms do not receive sufficient volume to warrant the establishment of an independent office and yard force. Such firms or individuals have a certain amount of business which they wish to retain and therefore they desire to keep their name before the public. Consequently they hold themselves out to the public as being prepared to buy and sell livestock of all species on a commission basis. Ordinarily those firms which are being cleared have no organization except the owner or owners of the firm. In most of such cases the owner or owners are salesmen and do some selling. They may sell all of one

species received and the clearing firm may sell the other species. The arrangement depends on the particular circumstances of each case. In some instances the owners of the firms cleared do no selling. Sometimes the owner or owners of the firms being cleared may do some yard or office work or both. There are a few firms on the market which are cleared by the other firms only as to their finances. The clearing firms collect for the livestock and make the remittances for the firm cleared. This is done to enable the cleared firm to obtain the benefit of the protection of the bond given by the clearing firm. There are 23 [fol. 111] firms on the market which have no clearing arrangements. Each handles its own business exclusively. There are approximately 32 firms engaged in clearing 51 other firms. Generally the bond of the clearing firm covers the obligations of the firms cleared, although there are a few exceptions where the cleared firm carries its own bond. There is some variation in the charges made for these services. Where it is merely a financial service the charge varies from 3% to 10% of the commissions. Where the clearing involves the performance of yard, office, and some or all of the selling services, the charges vary from 30% to 50% of the gross commissions. The firms being cleared usually have some expenses in connection with their business, such as the cost of stationery, circulars, postage, and other small items. There are some respondent firms which clear the business of traders. Under such an arrangement the trader usually puts up a margin with the clearing firm which, in turn, pays for his purchases and collects for his sales. The clearing firm also does the necessary bookkeeping for the trader. Firms which are being cleared, with the exception of those who are cleared only as to their financial operations, do not, as a rule, maintain independent offices. Their office headquarters are established in the offices of the firms by whom they are cleared.

IX—Personal Service Character of Respondents' Business

67. The business of buying and selling livestock on a commission basis involves the rendition of a service, which is essentially personal in character. The yardmen are required to be skilled in driving and handling livestock. Most of them have started by performing the simplest duties,

and as they have become proficient have been promoted. After a period of years a yardman may be permitted to sell a few odd head of livestock now and then, and if he displays aptitude for his work he may eventually become a full-fledged salesman. Most of those now engaged as salesmen and buyers received their training by coming up through the ranks. It is a business which is learned by close contact with those who are performing the service. Some of the salesmen received their training at other markets and some of them received it while working for packers.

68. The work of a salesman and buyer requires the use of skill and judgment. He must know how to evaluate the factors which may effect prices from day to day, and at all [fol. 112] times during the market period each day. He must possess knowledge of livestock and be able to judge the quality of the livestock which he has for sale. In addition, he should possess a pleasing personality and understand how to get on in a business way with his fellow salesmen, the buyers, and their customers. Men who possess these requisites naturally draw business to themselves to a greater or less extent. Close personal relationships are developed between the salesmen and the customers they serve. These relationships often extend over long periods of years and frequently continue from one generation of producers and commission men to another.

69. In addition to the personal service required in the commission business there is required a small amount of capital in the conduct of the business. This capital consists mainly of the fixed investment of office furniture, fixtures, and equipment. Many sales men use horses in the cattle division; some firms own automobiles which are used by them in making their trips to the country. There are other small miscellaneous items representing an investment of a more or less fixed character necessary to the conduct of the business.

70. A small amount of cash working capital is required in the commission business even though the business is essentially a cash one. The commissions representing the income of the respondents are collected as sales are made each day. When sales are made late in the day it may not be possible to collect until the next day. Under these

circumstances the buyer is supposed to settle by 11:00 o'clock the following day. However, commission firms consider it a mark of good service to remit promptly on the day of sale. Inasmuch as most of the remittances are made by check the proceeds are available by the time the check is returned to the bank. When remittances are made through banks it may happen that payment is made before the proceeds are collected and deposited. The remittance of cash itself, or the use of money orders, may also require cash in advance of collections. As a cash working requirement this does not appear to be a very important item. A more important requirement for cash working capital is in connection with the purchases of livestock to go to the country. In those instances some time may elapse before the money is paid by the customer. Under such conditions credit may be extended to the buyer for a short period. Sometimes shippers draw drafts upon their commission firms as soon as the livestock is shipped to market. If these drafts are honored promptly by the commission [fol. 113] firms it usually necessitates the payment of the proceeds before the livestock is sold. Inasmuch as commission firms may suffer a loss if they honor a draft for more than the livestock eventually brings, the practice of honoring drafts in advance is engaged in only to a very limited extent.

71. Certain expenses are paid in advance, such as office rent, and bond premiums. To meet these obligations cash working capital is required. The seasonal character of the business results in a variation of income from month to month. The overhead expenses of the business are fairly constant. Therefore, there may be months when the expenses are in excess of the income. Some working capital is necessary to meet expenses as they occur.

X—Rates Charged by Respondents for the Services Rendered

72. The rates charged by the respondents for their services in selling and/or buying livestock are substantially uniform. Those respondents which are members of the Chicago Live Stock Exchange filed their Tariff No. 2, effective September 15, 1923, to which fourteen supplements have subsequently been filed. This tariff and the supplements constitute a part of the rules of the Exchange and

as such all affiliated commission firms are required to observe it. The supplements which have been filed to the original tariff do not alter in a material way the rates originally filed. The existing tariff of respondent Chicago Producers Commission Association is Tariff No. 4, which became effective on April 1, 1930. Four supplements have been filed to this tariff. The respondent Farmers Union filed its Tariff No. 2, effective September 15, 1923, and since that time supplements Nos. 1 to 5 have been issued. The basic rates charged by respondents are contained in the tariffs as originally filed. These rates vary as to species, the method of arrival, and the mixtures both as to species and ownership. The following table sets forth the summary of the basic rates for selling livestock:

[fol. 114]

	Carlots				
		Minimum		Maximum	
	Per Head	S. D.	D. D.	S. D.	D. D.
Unmixed—					
(1) Single Ownership:					
Cattle	$.75	$17		$21	
Calves	.30	17	$23	22	$28
Hogs	.15	13	18	15	23
Sheep		14	20	14	20
(2) Plural Ownership:					
Cattle	.85	18		22	
Calves	.35	18	24	23	29
Hogs	.25	14	19	16	24
Sheep	.20	14	20	16	22
Mixed—					
(1) Single Ownership:					
Cattle	.85			21	
Calves	.35			22	28
Hogs	.25			15	23
Sheep	.20			14	20
Carlot		16	21	26	29
Cattle and Calves only		17		24	
(2) Plural Ownership:					
Cattle	.85			22	
Calves	.35			23	29
Hogs	.25			16	24
Sheep	.20			16	22
Carlot		17	22	26	29
Cattle and Calves only		18		24	

Less than Carload Lots

	Per Head
Cattle	.90—Less than 14 head in car
Calves	.40—Less than 40 head in car
Hogs	.30—Less than 40 head in car
Sheep	.20—Less than 50 head in car

Drive-ins

Rates are same as for less than carlots, except on sheep and goats the 20c rate per head applies up to 70 head.

70 to 125 head shall be considered a single deck. Above 125 and up to and including 300 head shall be considered a double deck.

73. The tariff also provides that on a car containing less than 14 head of cattle, less than 40 head of calves or hogs, or less than 50 head of sheep, the drive-in schedule applies. As to cattle, calves, and hogs, the minimum charge is applicable in each case to a minimum number of head. This minimum is 20 head for cattle, 50 head for calves in a [fol. 115] single deck and 70 head in a double deck, and 50 head for hogs in a single deck and 80 head in a double deck. The tariff also provides for an additional charge of 30c for each full 500 pounds weight over 17,000 pounds in a single deck and 27,000 pounds in a double deck of hogs. When a plural ownership carload of livestock is handled in the same manner as single ownership, that is, is not weighed for ownership, marks, brands, or other identification, and is not prorated, the single ownership schedule is applicable. In a single ownership carlot of livestock a charge of 15c is made for each draft over three drafts per deck. The maximum charge which can be made for the service of extra sorting is $2 in the case of a single ownership consignment and $3 in a plural ownership consignment. When pro-rating is done a charge of 25c for each owner is made with a minimum charge of $1 and a maximum charge of $2.50 for this service. When individual statements are requested in addition to a master prorate sheet, a charge of 5c extra is made for each statement. Members of the Exchange may sell livestock for one-half the regular commission rates for other commission firms which are members of the Exchange, provided full rates are charged to the owner of the livestock by the member for whose account such livestock is sold. When livestock purchased on the market by registered traders or registered market agencies and without having been removed from the market is resold for the account of such purchaser, the commission charge is 40c per head on cattle, 20c per head on calves, 5c per hundred-weight on hogs, sheep, and goats.

74. The following table sets forth the charges made for purchasing livestock:

	Per Head	Minimum S. D.	Minimum D. D.	Maximum S. D.	Maximum D. D.
Cattle	$.50	$10		$15	
Bulls				15	
Milkers and Springers	1.00				
Veal Calves				15	$20
Hogs—over 140 lbs.				10	10
140 lbs. and less				15	15
Sheep and Goats—slaughter				10	15
Sheep and Goats—feeding and breeding				11	16

The buying schedule provides that if a mixed carload of cattle containing milkers and springers and other classes is purchased the regular head rate for each class is applicable, with a maximum of $20 per carload. If it is [fol. 116] necessary to buy and pick up cattle in three or more lots, the commission is $15 per carload. In instances where less than a carload of calves, hogs, sheep, or goats, is purchased the commission charge for purchasing is the same as the charge for selling less than carload lots. In addition to these rates the schedules contain certain miscellaneous provisions with respect to the application of the rates.

XI—Volume of Business Handled by Respondents

75. The income of respondent commission firms is derived primarily from the sale of livestock on a commission basis. Some income is realized from commissions received for purchasing livestock. To a very small extent some of respondents negotiate the sale or purchase of livestock in the country for which commissions are received. Of the total business handled by the respondent commission firms during the year 1932 the purchases represented 4% as to cattle, less than 1% as to calves, 1½% as to hogs, and 6% as to sheep. Out of the total volume handled by the respondent commission firms the business represented by the sale of "seconds" was 10½% as to cattle, 2% as to calves, 4½% as to hogs, and 2% as to sheep. The volume handled for other firms on a split commission basis was very small, being less than 1% as to cattle, 1% as to hogs, and less than 3% as to sheep.

76. There is a wide variation in the volume of business handled by the different respondent commission firms. The following table shows the number of head of each species handled by each of them in 1931 and 1932, respectively:

[fol. 117] Cattle—1931

Firm No.	Head	Firm No.	Head
18	167,123	2	16,051
66	140,195	59	14,068
4	137,647	28	13,718
51	126,502	36	12,921
100	122,456	8	12,486
45	116,680	29	12,086
77	81,708	94	11,244
71	75,404	85	10,458
10	73,000	42	9,782
81	70,431	50	8,957
11	66,281	78	8,165
56	61,480	87	7,794
33	61,449	74	7,678
80	59,235	3	6,521
70	46,325	12	5,678
21	44,616	67	5,642
43	43,411	27	5,029
38	41,616	95	4,596
19	41,518	46	4,170
23	41,083	64	3,870
99	40,922	52	3,384
20	40,019	84	3,022
75	38,131	68	2,351
24	38,121	35	2,290
58	37,587	5	2,170
62	34,737	86	2,048
92	34,383	39	1,990
34	33,793	9	1,547
83	32,552	32	1,403
6	31,899	60	1,391
97	29,874	7	1,317
63	28,070	1	1,205
48	27,770	31	1,134
54	27,492	47	1,072
69	26,923	72	892
96	26,494	15	756
30	25,877	91	665
16	25,143	17	620
40	23,562	65	620
93	23,236	41	598
55	22,938	88	449

501

Cattle —1931 (Continued)

Firm No.	Head	Firm No.	Head
73	22,661	82	393
22	20,179	25	390
13	18,718	89	311
79	18,292	44	243
61	18,035	76	227
26	17,117	14	147
37	16,484	49	72
		53	34

[fol. 118]

Calves—1931

51	70,544	23	2,131
100	45,580	59	2,072
30	29,615	28	1,962
37	22,293	9	1,817
70	21,799	96	1,794
63	12,242	87	1,516
48	11,530	39	1,408
66	11,223	74	1,333
24	10,713	86	1,289
40	10,150	12	1,267
34	10,101	64	1,089
54	9,766	79	986
99	9,525	13	942
11	9,461	68	831
77	8,220	84	800
58	8,056	27	739
93	6,726	91	710
10	6,658	82	618
42	6,622	3	545
97	6,254	52	406
21	6,096	46	320
78	5,953	7	294
45	5,732	44	283
18	5,571	1	221
26	5,518	25	170
75	5,444	95	145
19	5,254	67	115
71	5,240	76	108
33	5,222	15	94
83	5,220	41	82
92	3,941	14	78

Calves—1931 (Continued)

Firm No.	Head	Firm No.	Head
69	3,708	65	76
85	3,534	5	71
36	3,225	72	59
56	2,944	88	57
81	2,884	49	42
80	2,811	32	37
73	2,810	60	35
55	2,801	53	32
29	2,774	17	29
43	2,720	90	23
38	2,647	31	10
2	2,633	47	5
62	2,449		
61	2,372		
50	2,265		
35	2,187		

[fol. 119]

Hogs—1931

100	599,984	75	39,950
99	245,204	30	36,624
48	220,904	29	36,155
34	166,311	59	33,048
66	140,552	35	31,607
19	139,138	13	31,244
11	137,430	80	29,683
22	134,327	56	29,668
18	129,998	87	29,410
45	126,531	91	29,325
97	118,561	27	28,816
20	117,929	47	25,842
6	115,063	44	25,065
77	111,473	3	22,187
33	109,984	14	22,183
71	108,693	39	20,954
4	102,757	50	19,908
93	99,741	9	17,004
51	98,953	94	15,980
63	97,541	86	15,508
21	97,121	15	15,428
37	93,781	8	15,225
42	91,415	74	14,271

Hogs—1931 (Continued)

Firm No.	Head	Firm No.	Head
10	82,263	65	12,179
23	82,151	68	11,291
19	88,510	64	10,543
16	77,239	84	9,174
58	73,285	49	9,067
82	70,374	12	8,406
43	70,143	67	7,304
26	67,864	79	6,355
83	62,038	76	6,334
24	61,961	1	6,256
38	60,878	36	5,117
55	59,847	25	3,950
78	59,221	17	3,696
62	58,358	46	3,328
61	54,914	95	2,794
40	54,392	72	2,201
70	54,021	52	2,086
28	53,392	7	1,730
54	51,505	32	1,641
73	50,778	60	1,461
81	48,731	88	1,362
2	47,769	53	1,253
96	46,224	41	1,246
85	43,884	5	1,036
92	43,602	31	77

[fol. 120] Sheep—1931

18	702,730	42	3,879
57	694,453	61	3,792
90	440,851	43	3,758
100	421,378	56	3,624
10	233,480	30	3,517
99	183,800	7	3,388
71	150,440	23	3,194
4	148,608	85	2,936
66	142,385	12	2,703
29	84,665	28	2,420
54	72,876	87	2,362
45	66,012	2	2,332
81	65,270	13	2,276
51	37,607	79	1,859

Sheep—1931 (Continued)

Firm No.	Head	Firm No.	Head
62	28,613	27	1,560
93	25,968	35	1,415
21	25,922	4	1,397
80	20,070	68	1,317
78	19,551	9	1,313
48	18,598	8	1,059
6	18,029	74	982
58	16,364	44	804
19	16,346	94	770
55	14,277	50	747
97	14,076	46	705
77	12,941	65	686
16	12,391	91	643
70	11,883	32	550
83	9,615	15	537
11	9,587	59	512
34	9,295	86	434
33	8,936	89	396
92	8,743	72	371
73	8,233	95	344
22	7,067	49	326
37	6,830	1	313
96	5,997	39	282
40	5,442	25	250
38	5,122	5	248
24	4,980	60	204
26	4,930	76	198
63	4,927	84	173
75	4,516	64	163
20	4,400	52	80
36	4,273	31	80
69	4,098	88	67
		17	18
		14	17
		41	13

[fol. 121]

Cattle—1932

18	145,025	8	11,217
4	144,000	85	9,807
66	130,099	37	9,100
100	125,241	36	9,039

Cattle—1932 (Continued)

Firm No.	Head	Firm No.	Head
51	102,122	78	9,013
45	83,803	94	8,702
77	66,715	42	8,670
71	62,254	87	7,378
56	59,818	12	6,651
33	56,243	50	5,518
11	55,955	27	5,457
10	54,622	67	5,368
48	49,903	64	4,523
81	47,903	72	4,420
20	42,578	74	4,380
21	40,593	3	3,956
23	40,186	82	3,759
24	40,151	52	3,676
58	40,090	13	3,276
43	36,379	46	3,024
80	35,007	95	3,000
99	34,710	101	2,705
70	34,661	111	2,565
97	33,971	35	2,130
75	32,806	68	2,059
38	32,274	5	1,986
92	30,829	32	1,715
83	29,762	9	1,634
19	28,743	86	1,422
34	26,532	60	1,315
63	25,838	47	1,239
96	25,570	65	1,222
6	25,085	1	1,024
54	24,827	31	1,008
16	24,013	84	985
55	23,875	39	745
30	23,756	15	723
73	22,497	91	562
26	20,472	88	547
40	17,953	44	534
104	17,936	98	512
62	17,897	89	464
69	17,572	17	403
61	17,216	76	388
59	17,176	41	266

Cattle—1932 (Continued).

Firm No.	Head	Firm No.	Head
93	17,083	102	199
22	16,737	7	164
79	14,377	14	112
2	13,647	103	23
28	12,119	90	15
29	11,364	49	2

[fol. 122]

Calves—1932

51	56,016	23	2,176
100	38,621	50	2,165
30	23,608	87	2,018
99	16,883	2	1,979
70	16,376	36	1,963
66	11,119	9	1,832
63	10,930	59	1,757
37	10,657	28	1,666
48	9,756	81	1,584
40	9,436	96	1,573
24	8,603	94	1,444
58	8,421	80	1,335
54	7,830	12	1,163
77	7,505	84	1,081
11	7,264	91	953
21	6,915	86	908
34	6,179	111	868
93	6,006	79	854
75	5,798	27	829
42	5,695	39	704
26	5,559	68	635
97	5,496	52	548
20	5,254	44	535
16	4,918	74	482
18	4,753	104	421
33	4,674	102	366
10	4,537	13	332
78	4,529	76	270
6	4,516	3	242
4	4,219	67	156
71	4,130	15	132
19	3,887	65	120
45	3,725	46	106

Calves—1932 (Continued)

Firm No.	Head	Firm No.	Head
62	3,452	95	94
85	3,325	32	77
92	3,311	1	71
22	3,250	101	43
69	3,083	88	34
29	3,062	47	32
73	2,977	89	31
8	2,879	60	29
43	2,838	31	25
55	2,468	72	22
35	2,403	5	21
83	2,400	41	21
64	2,365	7	13
56	2,287	14	9
61	2,265	17	9
82	2,229	49	8
38	2,203	98	7
		103	1

[fol. 123]

Hogs—1932

100	508,264	30	24,616
99	249,755	91	23,168
48	153,661	27	21,610
66	129,004	56	19,909
22	118,620	39	18,252
45	117,651	9	17,359
34	116,999	84	17,200
18	116,479	44	16,616
11	105,011	75	16,036
4	104,236	64	14,820
21	100,545	104	14,756
97	95,077	14	14,152
20	93,825	50	14,098
19	93,622	15	13,784
51	88,192	47	13,693
93	85,572	80	12,884
63	80,027	13	11,296
82	78,040	68	10,812
23	77,905	86	10,591
6	76,895	8	10,288
33	74,722	102	9,299

Hogs—1932 (Continued)

Firm No.	Head	Firm No.	Head
42	74,736	65	8,751
77	74,638	12	8,434
71	71,538	59	8,395
10	66,307	49	7,584
37	65,748	76	7,306
58	64,913	3	7,185
54	63,713	94	7,157
55	57,814	74	6,234
92	56,246	79	5,118
78	55,012	36	4,724
24	53,757	1	3,805
62	53,334	67	3,742
2	51,946	111	2,898
16	51,783	46	2,806
69	51,034	17	2,699
40	50,850	95	2,167
29	49,458	52	1,819
83	49,372	32	1,809
73	48,534	60	1,499
38	48,126	5	1,491
43	47,412	88	1,266
70	45,980	72	963
81	44,727	41	905
96	44,653	101	728
85	43,221	98	505
26	40,243	7	402
61	38,784	89	253
28	31,688	103	65
87	30,059		
35	25,879		

[fol. 124]

Sheep—1932

57	631,599	24	2,676
18	515,982	23	2,525
100	397,609	37	2,521
90	273,314	87	2,295
10	148,745	26	2,220
71	142,503	61	2,082
99	135,425	111	1,956
4	132,822	91	1,923
66	105,764	43	1,818

Sheep—1932 (Continued)

Firm No.	Head	Firm No.	Head
103	67,201	85	1,495
29	62,402	13	1,441
81	59,563	44	1,323
51	34,211	104	1,291
45	32,843	35	1,255
21	29,199	8	1,252
62	26,891	9	1,149
93	19,958	64	1,109
83	19,063	59	1,037
97	16,681	27	1,021
77	16,490	79	970
78	16,362	94	944
80	14,021	50	939
58	13,161	32	860
55	12,827	82	852
48	12,275	46	827
33	11,959	65	587
56	9,554	5	468
6	9,431	1	372
19	9,233	15	369
92	8,560	86	358
22	7,922	84	348
96	7,676	3	321
11	6,931	68	273
38	6,749	102	252
34	6,444	76	209
20	6,367	52	151
73	6,301	39	145
63	6,249	7	119
69	5,726	17	90
54	5,073	74	89
30	4,715	49	59
2	4,637	88	51
40	4,634	72	45
16	4,605	14	13
36	4,257	89	8
42	4,065	60	2
70	3,828		
28	3,493		
12	3,409		
75	2,930		

[fol. 125] The number of head given in each case includes all of the livestock handled by the firms regardless of mode of arrival and whether sold or bought.

77. The record in this case also contains the number of head purchased by order buyers. The following table shows the number of head of each species so purchased in 1932:

Cattle

Firm No.	Head
171	99,029
134	37,520
155	37,243
150	31,561
135	24,934
131	24,000
130	13,431
146	10,640
159	8,142
167	4,145
161	3,787
173	2,454
168	1,654
153	54

Calves

Firm No.	Head
171	24,439
173	325
135	295
153	293
130	102
146	46
159	2

Hogs

Firm No.	Head
144	248,953
131	109,860
150	63,459
162	56,496
149	50,580
152	43,507
143	41,447
132	32,027
130	27,744
135	6,391
129	2,428
171	1,238
173	1,086
146	712
134	397
159	220

Sheep

Firm No.	Head
153	273,188
135	8,841
146	645
149	398
131	325
150	240
134	160
162	134

[fol. 126] XII—Gross Revenues Produced by Existing Rates

78. The wide variation in the volume of business handled by the different respondent firms results in somewhat comparable variations in the gross revenues received from the sale and purchase of livestock on a commission basis. This variation, however, is not due entirely to volume. As indicated by the tariff of respondent commission firms, the rates charged vary according to method of arrival and character of the different consignments. There is a variation among the firms in the proportion of the receipts consigned to them according to the different methods of arrival. There is also a variation in the proportion of receipts received in plural ownership and mixed consignments to which different rates are applicable. The livestock consigned to some firms runs more heavily to one species than that consigned to another firm.

79. The following tables show for each respondent commission firm the gross selling and buying commissions received in 1931 and 1932:

1931		1932	
Firm No.	Amount	Firm No.	Amount
100	$311,941.11	100	$291,946.92
18	214,608.62	18	179,579.88
66	162,624,88	66	146,513.99
51	143,199.93	4	143,814.37
4	139,975.87	51	115,143.95
99	121,567.35	99	95,357.70
45	111,896.48	45	88,541.09
10	99,387.32	71	77,790.07
71	96,437.40	10	73,925.64
77	88,594.72	11	71,167.40
11	87,983.37	77	70,982.35
33	74,825.41	48	67,989.24
48	74,289.64	33	65,478.55
81	73,073.99	21	63,720.58
19	68,761.63	20	57,761.50
21	64,923.41	81	53,436.10
34	59,493.84	97	52,670,46
20	59,073.33	58	51,524.00
80	56,837.87	56	51,016.77
6	56,346.88	57	48,934.32

[fol. 127]

1931		1932	
Firm No.	Amount	Firm No.	Amount
56	55,622.09	23	46,257.82
97	54,604.35	19	46,193.93
70	53,781.89	24	45,385.48
57	52,912.14	34	44,990.74
58	52,769.11	22	42,828.42
43	51,042.42	63	42,500.91
23	49,409.24	70	42,162.17
63	48,749.33	6	41,261.75
22	48,241.23	43	40,361.34
93	48,112.50	92	40,356.45
24	47,792.89	54	39,496.35
38	46,925.92	93	38,326.73
54	44,734.97	38	37,957.25
37	43,881.42	83	37,697.93
83	43,712,74	55	36,751.27
62	41,923.10	73	33,350.90
92	40,242.92	96	32,694.73
69	39,053.21	40	32,163.80
75	38,949.32	16	32,138.34
40	37,991.64	80	31,634.94
16	37,194.78	75	30,280.42
55	36,956.33	30	30,259.15
30	36,901.04	62	29,691.47
96	33,883.87	42	28,313.60
90	33,755.25	29	28,212.88
42	33,622.01	37	26,657.47
73	32,256.78	69	26,606.16
26	30,406.71	2	25,533.72
61	28,457.30	78	25,259.95
78	26,622.88	26	24,965.26
29	26,432.87	61	23,581.10
2	26,154.43	90	20,614.28
13	22,600.27	85	19,669.47
85	20,602,30	104	18,565.21
28	19,293.92	87	16,000.41
59	18,705.89	28	15,312.32
8	16,011.34	82	14,659.37
87	15,441.95	59	14,275.81
79	14,085.95	8	12,757.72
50	13,533.23	79	11,336.75
36	12,398.99	27	10,327.69
94	12,034.41	35	9,547.79

[fol. 128]

1931	
Firm No.	Amount
27	11,780.43
3	11,171.79
35	11,056.40
82	11,005.34
91	8,227.99
74	8,113.42
12	7,387.32
9	6,733.45
67	6,362.15
64	6,223.06
39	6,118.50
86	6,074.98
44	5,844.05
14	5,351.01
68	5,247.54
84	5,158.12
46	4,489.58
95	4,417.36
15	4,408.62
65	3,299.90
52	3,227.78
47	2,480.90
1	2,290.45
5	2,160.25
49	2,038.50
7	1,923.75
76	1,723.04
32	1,590.35
60	1,546.20
25	1,304.60
72	1,259.42
17	1,190.70
41	833.65
88	784.40
31	545.45
53	375.60
89	306.50

1932	
Firm No.	Amount
50	9,404.40
36	8,970.29
12	8,640.58
64	8,259.90
94	7,615.50
9	7,134.48
91	6,960.33
84	5,747.07
13	5,690.93
103	5,237.74
3	5,124.97
67	5,091.65
68	4,860.33
74	4,614.70
39	4,411.45
44	4,340.20
15	4,131.01
86	3,962.21
52	3,581.20
46	3,345.92
65	3,237.80
111	3,211.03
14	3,036.25
95	3,031.26
102	2,673.70
101	2,324.85
76	2,149.35
5	2,066.64
32	1,930.65
1	1,816.50
47	1,563.25
60	1,504.95
49	1,204.59
72	1,095.12
17	956.01
88	781.83
98	569.95
41	442.75
31	408.00
89	396.50
7	248.55

[fol. 129] 80. The following table shows the gross commissions received by the respondent order buyers in 1932:

Firm No.	Amount
171	$49,844.00
131	21,981.00
150	19,453.00
153	17,713.30
134	16,836.50
135	14,488.00
144	14,432.50
130	8,392.75
162	4,705.00
159	4,466.70
149	3,394.50
143	3,225.00
152	2,335.00
167	2,124.50
146	1,858.00
132	1,850.00
155	1,341.50
173	1,304.50
168	487.50
161	395.00
129	180.00

In addition to commissions received, fourteen of respondent order buyers realized trading profits varying from $24.67 in the case of one firm to $33,695.04 in the case of another firm.

XIII—Methods Used by Respondents in Getting and Maintaining Business

81. The rendition of satisfactory service is essential to the maintenance of the business of a commission firm. Respondent firms differ somewhat in their views as to the merits of the different methods used to attract business. There are certain methods which have come into more or less general use. Most of the respondent commission firms issue market letters to their customers. These market letters vary in size from a card to a circular of several pages and contain information bearing upon the prices at which the various grades and classes of livestock have been sold, outstanding sales made by the firm, and general market

conditions. These market letters are sent at stated in- [fol. 130] tervals, usually once a week or once in two weeks. Special circulars are issued by some firms on special occasions or for special classes of their customers. Each commission firm keeps a list of customers and prospective customers for mailing purposes. Some of them keep special mailing lists and the circulars are prepared especially to meet the conditions at those times when these customers are interested in keeping informed regarding the market. There is a daily market paper published at the market known as the Chicago Daily Drovers Journal. Most of the respondent commission firms subscribe to this paper for those customers who ask for it, and who have sufficient business to justify the expense. They also hand out to their customers, pencils, memorandum books, and other novelties bearing the firm name. They entertain their customers to some extent, although the rules of the Exchange prohibit the members thereof from purchasing meals for customers on the stockyards or adjacent thereto.

82. Respondent commission firms also make trips to the country to visit their customers. These trips are usually made by employed salesmen and members of the firms. The purpose of these trips is to keep up the friendly relationship with customers, advising customers in regard to feeding and time of marketing their livestock, appraising livestock, and to make contacts with prospective customers, if possible. This activity is generally known as "soliciting." Respondent members of the Exchange are limited under their rules to a period of 62 days per year each for soliciting. Some use more of their allotted time than others. These trips are usually made during the latter part of the week when the work in the yards is slack. The trips are made both by auto and by rail. In a few cases, where a firm has a class of business located in far western territory, a salesman will make one trip of several weeks' duration in the course of a year. Many of these trips are made on request of customers who have livestock about ready for market and desire to have the salesman's judgment as to their fitness for market. Sometimes salesmen when in the country assist their customers in sorting livestock.

83. There are feed lots nearby Chicago where sheep destined for the Union Stock Yards are sometimes un-

loaded for a period, in order that they may be fed and rested before being sent to the market. Recently the extent of this business has decreased and sheep have been sent direct to the market. Those commission firms interested in [fol. 131] handling sheep are sometimes called upon to go to the feed lots and see that the sheep are receiving proper attention. It sometimes happens that sheep are sheared in the feed lots and the wool is sold. If requested to do so, the commission firms make arrangements for having the sheep sheared and look after the selling of the wool. This is done by the commission firm without any extra charge.

84. Many of the respondent firms loan money to their customers for feeding out livestock. Usually they take a mortgage on the livestock and the feed. Some loan on a rather extensive scale while others loan very small amounts. They may loan their own money or they may assist their customers in obtaining loans at banks. Notes taken for loans are frequently discounted at the banks. There is usually a margin of from one-half to one per cent between the rate of interest charged to the borrower and the rate paid by the commission firm at the bank for the money. It is generally understood that the livestock will be returned to the commission firm for sale when it is ready for market. Although the loaning of money is not regarded as a part of the business of buying and selling livestock at the stockyards, it is considered an effective means of holding a customer's business.

85. Personal correspondence is another method used by all commission firms to keep up contacts. Letters are written to customers on a rather extensive scale. In this way the commission firms advise their customers relative to the sales which they have made, the prospects for the future, and any matters of peculiar concern to the individual customer. Letters are also written to prospective customers giving advice generally on market conditions. Many letters are written in response to inquiries for information and advice.

86. The respondent order buyers usually solicit their business by telephone or telegraph. They write letters to their customers and sometimes get out a market card. Occasionally they make trips to the East in order to visit their customers.

XIV—Joint Activities of Respondents

87. With the exception of the two cooperative market agencies, the respondent commission firms maintain an organization known as the Chicago Livestock Exchange, which is a corporation. The purpose of this organization is the [fol. 132] promulgation and enforcement of rules establishing uniformity in customs and usages, providing for speedy adjustment of disputes and promoting the welfare of its members generally. Membership in this Exchange is held by individuals. All salesmen working for firms affiliated with the Exchange and all who solicit for those firms must have a membership. There are activities carried on by the Exchange which affect the operations of respondent commission firms affiliated with it.

88. The Exchange maintains a system of hog dockage. It employs an inspector at each scale in the hog division. It also employs a chief inspector. It is the duty of the inspectors to determine whether there should be any deduction made from the weight of any hogs as they go over the scales on account of physical condition. Uniform allowances in weight are made on stags and piggy sows. This service has been offered to all agencies operating on the market, but not all have availed themselves of it. A charge of 25c per car, and 1c per head up to 25c on each truck consignment, is made for this service and assessed against the shipper. If there is a dispute between a buyer and a salesman in regard to whether an animal should be docked, the matter is referred to the chief inspector and if there is dissatisfaction with his decision the case is referred to an arbitration committee. A special charge is made for the settlement of the dispute and is paid by the party calling for the arbitration.

89. The Exchange employs a market analyst, who broadcasts the market reports each day. This activity is supported by a charge of 10c per car on the incoming business, which is assessed against the affiliated commission firms.

90. In cooperation with the State of Illinois the Exchange handles the inspection and tagging of reactor and suspect cattle. The State does the physical work of tagging the cattle in the yards. The Exchange does the clerical

work and reports on the disposition of the animals to the commission firms, who, in turn, report to their customers. A charge of 10c per head is made on such cattle for this service and collected from the shipper by the commission firms.

91. The Exchange maintains a claim department for the purpose of handling loss and damage claims for shippers against railroad companies on consignments of livestock to and from the market. A charge of 15% is made for collection, and 33⅓% in case it is necessary to sue on a claim.

[fol. 133] 92. The Exchange has a blanket insurance policy covering all livestock consigned to affiliated commission firms while in the stockyards. This policy insures against loss by fire or mixing occasioned by fire. The premium on this insurance policy is 15c per car, 7c of which is collected from the shippers. The balance is absorbed jointly by packers and yard traders. The Exchange collects the funds for the benefit of the National Livestock and Meat Board. This is a deduction of 25c per car made by the commission firms from the proceeds of the sale of livestock. They turn the money over to the Exchange which, in turn, remits it to the Board.

93. The Exchange participates in railroad rate proceedings. It also engages in other activities concerning relationships of its members and settles any disputes between members and their patrons. The Exchange obtains funds for carrying on its activities by making assessments against its members.

94. The respondent order buyers and the yard traders have an organization incorporated under the laws of Illinois, known as the Chicago Traders Livestock Exchange. It was founded for the purpose of promoting the interests of its members, establishing uniformity in customs and usages of the trade and simplifying business transactions. This Exchange also arbitrates disputes among its members. There are seven individual order buyers and twelve order buying firms which are members of this Exchange. The Exchange collects from its members their contribution in payment of their share on the premium for the blanket insurance policy.

95. Neither of the Exchanges engages in the business of buying and selling livestock. It is not necessary for a firm or individual to belong to either Exchange in order to engage in business at the Chicago market.

XV—Risks Incurred by Respondents

96. There are risks incurred by respondents in the conduct of their business, such as the hazards involved in selling mortgaged or stolen livestock, the loss of furniture and fixtures by fire, injury to employees in the yards, defalcation of employees, injury to or mixing of livestock through negligence of employees, errors arising in accounting, and a decline in volume of business. Against the first four of these hazards the commission firms can obtain and many of [fol. 134] them do carry insurance. Losses from injury to and mixing of livestock arising in connection with the business are negligible, inasmuch as respondents hire men of experience and ability to perform the necessary services in handling livestock properly. The errors made in the accounting usually involve small items and are of such a character as would normally occur in the handling of a large number of transactions. The risk of losing volume is not a risk peculiar to the commission business. Respondents endeavor to meet this situation by the rendition of efficient service, and the maintaining of their contacts with their customers. There is, of course, competition among the respondent commission firms to get the business which comes to the Chicago market. They also experience some competition in certain sections from commission firms at other markets. Some of the business which normally would come to the Chicago market is diverted into the channels of direct buying by packers in the country. Some firms have some customers who have remained with them constantly over a period of years, and naturally as these customers go out of business, an attempt is made to obtain business from new customers.

97. There is a risk involved in the purchase of livestock on order. It is necessary under the rules of the market for payment to be made promptly. If for any reason, the customer should refuse to receive the livestock and honor the draft, a loss might result to the order buying firm. This contingency requires that care be exercised in deter-

mining the financial status of the customer and his ability to pay. Losses on this account rarely occur. Respondent commission firms contend that they experience a very great hazard in the possibility of non-payment for livestock purchased by buyers on the market. Even though no legal liability is imposed upon them if they exercise reasonable care in assuring themselves that the credit of the buyer is sound, they feel they would have a moral obligation to their customer to reimburse him in case the packer or buyer failed to make payment. This hazard does not exist to the extent that traders and order buyers who purchase livestock on the Chicago market are required to give a bond covering their obligations. This situation does not apply to purchases made by packers. However, experience does not disclose that any material losses have been suffered on this account.

98. Another hazard which is pointed out by the respondent commission firms is that involved in the possibility of [fol. 135] bank failures. It is claimed that this loss may arise from the failure of a bank through or to which the remittance is made for the account of the shipper. Generally remittances through banks are made on the shipper's instructions. Notwithstanding the fact that a commission firm would be discharged of any legal liability in case it exercised proper care and followed the shipper's instructions, it claims that it has a moral obligation to see that the shipper gets his money. There is another way in which it is claimed that bank failures may result in a loss to commission firms. It is necessary for each commission firm to deposit the proceeds of sale of livestock in a local bank at or near the stockyards. Not only do the commission firms carry the proceeds accounts in these banks, but many of them also carry their own firm accounts in them. A failure of one of these banks would result in a non-payment or at least only partial payment of checks outstanding, which had been given by the firms to shippers in the remittance of proceeds of the sale of their livestock. During the recent bank moratorium shippers frequently held checks of commission firms for a considerable period of time, for the reason that they preferred to take a chance on the soundness of the bank upon which the checks were drawn in preference to making a deposit in their local

banks. Respondent commission firms contend that this increases the hazards of the business. Here again it is their position that even though no legal liability would be imposed upon them, they would still feel a moral obligation to reimburse the shipper in case of a bank failure. To the extent that the firm's own funds would be jeopardized by the failure of banks located at the stockyards, there is a real hazard. That hazard could involve only such cash working capital as is necessary to the firm's operations. The record shows that one bank located near the stockyards, and used by some of the respondent commission firms, did close its doors. This resulted in some financial embarrassment to certain firms. It is not known to what extent there will be actual losses incurred.

99. Respondents take certain risks in making livestock loans to their customers. It is presumed that the interest charged on the loans is sufficient to pay for the use of the money loaned, and cover the risks involved in making the loans. Inasmuch as the loaning of money is not a part of the business of buying and selling livestock on a commission basis at the market, the hazards involved are not incident to the commission business as such.

[fol. 136] XVI—Economic Conditions Affecting the Operations of Respondents and the Livestock Industry Generally

100. This proceeding was instituted during a period of one of the most severe economic depressions in the history of this country. During this period the livestock-producing interests have suffered severely from the decline in the prices of livestock to almost unprecedentedly low levels. Under these conditions those producers who have been engaged in breeding livestock have taken heavy losses. Those engaged in the grazing and feeding of livestock have in a large measure conducted their operations at a loss. Prices of feed have fallen to such low levels that under some circumstances it has been possible for some of those engaged in feeding livestock to operate at a profit. However, general conditions have been unsettled and producers of livestock in many instances have been forced to liquidate their operations with heavy financial losses.

101. Respondent commission firms have felt the effect of disturbed economic conditions even though they have operated on the same level of charges throughout the depression. They have experienced an increase in certain items of expense, such as increased postage rates and an imposition of a tax on checks, telegrams, and telephone calls. However, the chief factor affecting the business conducted by respondents has been the decrease in the volume of business consigned to the Chicago market for sale. This decrease is to be attributed largely to the growth in importance of other terminal livestock markets and the development of the custom among producers of selling in the country. There are many packing establishments located at points other than the central livestock markets and many of these plants buy their requirements locally. Some of the packers, especially the larger ones, located at Chicago buy in the country and have the livestock shipped to their plants in Chicago. To a certain extent there appears to be in progress more or less decentralization in the marketing of livestock, and the result of this has been to reduce the volume of receipts handled at the Union Stock Yards, Chicago, Illinois, and other markets. Respondents have by necessity met this condition by reduction in expenditures either through reducing salaries and other items of expense or through the reduction in the personnel of the organization, or both. In some instances firms have retired from business, and in others firm consolidations have been [fol. 137] effected. Practically all respondents have made substantial reductions in salaries of employees and owners. These reductions were made chiefly in the year 1932, although some firms made further reductions during the year 1933. Some curtailments have been made in the amount spent for circulars and other forms of advertising.

XVII—Basic Principle Governing Determination of Reasonableness of Commission Rates

102. Respondents vary among themselves as to the type and size of organization and degree of specialization necessary in rendering the services for which rates are charged. In some respects their operating conditions are similar. They have to meet the same general conditions in the handling of livestock in the yards and in the performance of

the necessary office work. They hire their labor in the same general labor market. By reason of the physical conditions in the yards some have pens more conveniently located than others, resulting in a difference in the time required to drive livestock from the unloading chutes to the pens. Some receive relatively more of one class or grade of livestock than others. The receipts of some firms run more heavily to rail arrivals than is the case with other firms. There is also a variation to some extent with respect to the general business policies followed in regard to the form of organization, the distribution of work, and methods of maintaining and getting business. Notwithstanding the fact that the variations reflect themselves to some extent in the cost of doing business, each respondent is endeavoring to render the best service possible to its customers and observes a schedule of rates and charges for its services which is uniformly observed on the market.

103. In determining whether the existing schedule of rates and charges is unreasonable, it becomes necessary to apply some reasonable and fair method of testing those rates and charges. A method has been adopted in other commission rate determinations by the Secretary of Agriculture, pursuant to the terms of the Packers and Stockyards Act, and that method was approved by the Supreme Court of the United States in the case of Tagg Brothers and Moorhead, et al., versus United States (280 U. S. 420). In that case, which is known as the Omaha Commission Rate Case, it was decided that the rates charged by a group of market agencies at a market for selling and/or buying [fol. 138] livestock on a commission basis should produce gross revenues sufficient to pay all reasonable costs and a reasonable compensation for management and risk, that is, a reasonable profit, to owner or owners of all firms which receive enough livestock to enable them to handle their business in a reasonably efficient and economic manner. That principle is adopted as a guide in this proceeding, and it becomes necessary therefore to determine the reasonable costs to the respondents of handling each species of livestock.

XVIII—Cost-Occasioning Factors in the Commission Business

104. A large part of the expenditures made by respondent firms consists of the salaries paid to the various employees and owners. In addition to the salaries there are those expenses which are incident to the conduct of an office, such as rent, heat, light, stationery and supplies, taxes, bond and insurance premiums, advertising, postage, travel, maintenance of horses and automobiles, and other miscellaneous items. As hereinbefore described there are definite functions performed by each respondent, such as yarding, selling, and accounting. To some extent each employee or owner is assigned to perform some definite function. At least each employee or owner is classified on the payroll as one performing some major function. However, the business is such that some of the personnel may not be busy at a time of day when others are fully occupied. The market does not open until eight o'clock in the morning and closes at three o'clock with respect to the selling of most classes of livestock. The salesmen often go to the yard early in the morning and assist the yardmen. Sometimes the office men assist in the yard in the forenoon and the yard employees frequently perform office work in the afternoon. The salaries of different classes of employees differ and the time of a more highly paid employee may sometimes be devoted to a function which is usually performed by lower paid employees.

105. The flow of livestock receipts to the market from day to day and from season to season has some effect on operating costs of respondent commission firms. This unevenness of flow of receipts makes it necessary to maintain an organization to handle the business during the heavier periods. Extra help can be obtained when required in the performance of office work and yard work. However, most [fol. 139] of the regular employees are employed on a monthly or an annual basis. It is not feasible for a commission firm to undertake to operate without a permanent organization. It is possible sometimes to obtain the services of a salesman in an emergency but such a practice is not pursued to any extent. The respondent commission

firms feel that when they find suitable salesmen who are satisfactory both to the firm and to the customers they cannot afford to let them go during periods when business is dull. The work of a salesman is especially important, both from the standpoint of rendering good service in the selling of livestock and his pleasing contact with the customers. It is difficult to obtain salesmen during emergencies which would satisfy these needs. The respondents do make some effort to control the flow of receipts of livestock to market by way of advice to customers in regard to the time to ship their livestock. However, this control does not appreciably affect the evenness or unevenness of the flow of livestock to the market. The respondent commission firms must be prepared to handle the business when it comes.

106. Perhaps the most important factor bearing upon costs as incurred by respondents is the size of the lots in which livestock is sold. The performance of some functions requires almost as much time for one [illegible] livestock in a separate lot as for a carload. A carload of one species of livestock belonging to one owner may be yarded, fed, watered, sold, and weighed in one lot. On the other hand, it may be necessary to sort the livestock in a car for ownership, or for grades and classes, or both. As the business is now conducted on the Chicago market much sorting seems to be required. The amount of sorting has increased over a period of years and that condition has been caused to a considerable extent by the cooperative shipping of livestock and the growth in the use of the motor truck for transportation of livestock. Buyers appear to be more selective in making their purchases and it is not possible to sell livestock of mixed grades to the extent that it was formerly done. The effect of these changes has been to increase the amount of work required of respondent commission firms in proportion to the amount of livestock handled. The following table consists of a summary of the business of all respondent commission firms for the year 1932, showing by method of arrival the volume handled and the number of head per draft, owner, and account sale or purchase:

(Here follows table, side folio 140.)

[fol. 140]

	Straight Cars		Mixed Cattle and Calves		Mixed All Species				Buying	
	S. O.	P. O.	S. O.	P. O.	S. O.	P. O.	Truck-Ins	Seconds	Rail	Truck-Out
Cattle:										
Cars	40,177	7,115	7,073	6,075	1,622	2,494	11,947	9,954	1,530	1,172
Decks	40,177	7,115	7,073	6,075	1,622	2,494	11,947	9,954	1,530	1,172
Head	1,002,873	187,157	196,306	167,402	42,575	64,531	297,297	248,738	51,298	36,305
Drafts	111,380	50,650	54,341	75,968	15,368	38,164	127,218	57,671	8,190	4,730
Owners	27,551	18,862	3,448	30,935	1,377	21,278	65,086	27,134	1,172	1,884
Account Sale	27,586	16,683	3,458	23,033	1,378	14,762	63,749	27,134	1,176	1,884
Head per Draft	9.00	3.69	3.61	2.20	2.77	1.69	2.33	4.31	6.26	7.67
Head per Owner	36.40	9.92	56.93	5.41	30.92	3.03	4.56	9.17	43.77	19.27
Head per Acct. Sale	36.35	11.22	56.77	7.26	30.90	4.37	4.66	9.17	43.63	19.27
Calves:										
Cars	148	49	801	876	611	1,502	1,313	101	17	19
Decks	162	62	802	877	611	1,502	1,313	101	17	19
Head	14,985	5,513	65,265	71,151	48,220	110,267	87,902	8,448	905	1,588
Drafts	414	790	13,540	25,041	5,630	30,716	54,945	1,919	49	176
Owners	157	999	3,393	25,309	1,187	46,525	37,287	946	14	86
Account Sale	157	875	3,402	19,228	1,182	32,504	36,184	946	14	86
Head per Draft	36.29	6.98	4.82	2.84	8.56	3.58	1.59	4.40	18.47	9.02
Head per Owner	95.44	5.52	19.23	2.81	40.75	2.37	2.35	8.93	64.64	18.47
Head per Acct. Sale	95.44	6.30	19.18	3.70	40.80	3.39	2.43	8.93	64.64	18.47
Hogs:										
Cars	15,545	13,655	.....	.....	2,260	5,673	15,891	3,026	517	23
Decks	20,546	18,062	.....	.....	2,793	6,840	15,891	3,026	844	23
Head	1,394,746	1,156,727	.....	.....	209,974	496,576	1,069,158	204,569	66,877	1,723
Drafts	59,029	90,751	.....	.....	15,762	52,223	148,848	8,441	1,695	109
Owners	14,632	76,642	.....	.....	1,843	49,301	83,139	4,748	463	47
Acct. Sale	14,648	58,550	.....	.....	1,843	34,313	81,647	4,748	463	47
Head per Draft	23.63	12.74	.....	.....	13.32	9.51	7.18	24.23	39.45	15.81
Head per Owner	95.32	15.09	.....	.....	113.93	10.08	12.85	43.08	144.42	36.66
Head per Acct. Sale	95.22	19.75	.....	.....	113.93	14.47	13.09	43.08	144.42	36.66
Sheep:										
Cars	8,648	1,910	.....	.....	270	419	2,142	537	725	117
Decks	15,941	3,138	.....	.....	408	667	2,142	537	1,343	117
Head	1,988,990	388,858	.....	.....	52,524	82,854	259,953	65,439	178,049	14,466
Drafts	24,955	16,574	.....	.....	3,371	9,779	31,061	1,980	1,725	307
Owners	5,638	8,716	.....	.....	420	6,335	13,917	1,101	583	159
Acct. Sale	5,640	5,867	.....	.....	422	4,434	13,523	1,101	583	159
Head per Draft	79.70	24.12	.....	.....	15.58	8.47	8.37	33.04	103.22	47.12
Head per Owner	352.78	44.61	.....	.....	125.06	12.49	18.67	59.43	305.40	90.98
Head per Acct. Sale	352.65	66.28	.....	.....	124.46	18.68	19.22	59.43	305.40	90.98

[fol. 141] Each draft does not always represent a separate sale for the reason that in some instances livestock of the same grade and class, arriving in the same consignment and belonging to several owners, may be sold together but weighed seperately. In abstracting from the books and records of the various firms the statistics relating to mixed shipments, including cattle and calves in the same consignment, the number of account sales and purchases and the number of owners were divided by the number of species consigned by each owner. The above table shows for such mixed shipments the number of owners and account sales determined by adding the fractions of divided ownership and account sales or purchases. For this reason the number of head per owner and the number of head per account sale and account purchase in the case of mixed shipments are shown to be greater than if a full unit of ownership had been assigned to each species in a shipment. The number of head per draft shown in the table reflects the extent to which all methods of arrival, including mixed shipments, are actually broken up into small lots for the purpose of weighing.

107. There is a variation among respondent firms as to the size of the lots in which livestock is handled. Some firms handle a larger proportion of straight rail consignments of livestock than is handled by other firms. The following table shows the extent of the variation in the number of head per draft and number of head per owner for the firms having the minimum and maximum average experience for each species handled:

	Per Draft		Per Owner	
	Minimum	Maximum	Minimum	Maximum
Cattle	1.66	7.04	3.75	24.82
Calves	1.	10.67	1.	23.79
Hogs	7.17	60.59	9.	207.47
Sheep	3.25	70.22	2.	241.71

XIX—Preparation for Determination of Costs

108. Preliminary to the determination of costs for 1931 and 1932, audits were made of the business done by each respective respondent commission firm. For the year 1932 similar audits were made of the business of each of the respondent order buyers who had a sufficient volume of

[fol. 142] business to warrant a unit study of operations. The preparation of these audits for 1931 and the gathering of statistics were done jointly by employees of the various respondent commission firms, and by trained and experienced accountants and clerks detailed by the Government. The audits for 1932 were prepared by the Government accountants and clerks. The bases for these audits and statistics were the books and records of the individual firms. The data gathered were the ending balance sheets for both 1931 and 1932, profit and loss statements for those years, reconciliation of net worth for both years, an analysis of the payrolls by individuals and functions for both years, and the number of cars, decks, head, accounts of sale and purchase, owners on accounts of sale and purchase, drafts, and drafts by mode of arrival. There were further compiled the monthly variation of volume by firms and for the market as a whole, the varying number of head per consignment by firms for a ten-month period in 1932, and the varying number of head per draft for each firm for two months in 1932. In addition to the audits for the years stated there was introduced into the record information showing the volume of livestock received at Chicago for all years from 1865 to 1932, the monthly receipts on the market for the years 1923 to 1932, the daily receipts on the market for the year 1932, the receipts direct to packers for the years 1923 to 1932 and the through shipments for the same period. The audits were accepted by the respondents as constituting a true reflection of the facts disclosed by their books and records for the period covered, although they contended that the item of owners' salary, as shown by the books, was not a true reflection of the worth of the services of these owners. From these audits and statistics the Government's chief accountant prepared for the years 1931 and 1932 a unit functional analysis of the operations of each firm, allocating to each species of livestock the income and costs which could be directly ascribed to it. He distributed the remainder of the expenses on what he considered appropriate bases. For the year 1932 he made a further analysis in which the total cost of each function was allocated to the various modes of arrival within a species for each particular firm.

109. Respondents' accountant prepared for both years time studies covering services in the yard and used these as

a basis for allocating the functional costs of selling, buying, and yarding. He prepared studies of operations for both years in which all costs were allocated directly to species [fol. 143] where possible. He used other appropriate bases for allocating those expenses not directly applicable to the handling of any one species. He also prepared studies showing the unit costs according to mode of arrival.

110. The rates hereinafter prescribed are based upon a general consideration of all facts of record. The functional unit costs set forth in this order are derived from an analysis of the business of each of the respondents for the year 1932. The year 1932 has been used for this purpose for the reason that it is that next preceding the one in which the hearing was held. The receipts for the year were lower than they were during the year 1931 and lower than they had been for a number of years previous. The use of a full calendar year gives due weight to the seasonal changes which take place in the marketing of livestock. A schedule of rates adequate to produce reasonable costs and reasonable profits in a low-volume year should not prove to be too low in those years in which an increase in volume occurs.

XX—Items Entering into Cost

111. Each of the accountants in making his analysis of the business of the respondents set up a classification of expenses and assigned to each classification certain items. There are three main classifications, namely, salaries, other expenses and interest. The salaries were classified as selling and buying, yarding, business getting and maintaining, office and administrative. The other expenses were classified under the headings of yarding, office, business getting and maintaining, administrative and general, and risk. Interest was calculated on the sound value of the fixed assets, including the value of the Exchange memberships, and on the inventory of supplies and the cash working capital equivalent to one month's expense allowance.

112. The owners of the respondent commission firms do not follow a uniform practice with respect to setting up salaries for themselves on their books. Some owners carry on their books a definite salary for themselves, others set up what may be designated as a drawing account, and others do not set up any allowance for themselves on their books.

The Government accountant took the amounts which the owners set up for themselves in the first two instances and in the third instance he classified the net profits as income to owners in the nature of a salary. Respondents [fol. 144] caused an appraisal to be made of the value of the services of owners. The amount so determined was substituted in lieu of all compensation paid to or withdrawn by an owner. In addition to the adjustment for these appraisal salaries a further adjustment was made in the case of certain respondents for administrative expenses. These administrative expenses were in addition to those incurred by the local office of these firms and covered such services as were rendered by the home office of these particular organizations.

113. In determining the items which should enter into the unit costs, Government accountant made certain adjustments in the expenses which had been taken from the books and records of the respondents and carried into the audits. Specifically, the items which were eliminated from income and expenses were interest and collection income and expenses, traders' commissions and clearance charges, country commissions, capital adjustments, clearance and loan salaries, charity and donations, personal life insurance, Exchange dues covering the cost of the conduct of the rate hearing, and items of expense on outside property such as farms and real estate. There were added to the expenses depreciation on fixed assets and insurance to cover furniture and fixtures, mortgage and theft insurance and workmen's compensation insurance. The depreciation adjustment was based upon the reproduction new value as determined by Government engineer, using standard and accepted life tables for the depreciable items. The insurance adjustment was made on the basis of rates supplied by a national insurance company. There was little, if any, issue between the accountants on these adjustments.

XXI—Method of Determining Proper Allowance for Owners' Services

114. In ascertaining the unit costs for salaries to be charged against the different functions the Government accountant used the salaries, drawing accounts, and profits of owners, as well as the salaries of those who were em-

ployed. He neither attempted to pass upon the reasonableness of such salaries, drawing accounts, or profits of owners, nor recommended the inclusion of those of the owners in the costs to be used as the basis for determining reasonable rates. In this proceeding it is not contended by anyone that these owners' salaries, drawing accounts, and profits, should be used as an element of cost or as a [fol. 145] basis for determining the reasonableness of the allowance to owners. It is recognized that some proper allowance should be made for the services of owners. If this is not done the cost of performing certain functions for many firms will be extremely low or based upon out-of-pocket expenses only. Unit costs arrived at on such a basis would not make it possible to determine a fair normal unit cost for any function in which owners' salaries constitute a part of the expense. In these circumstances the question becomes one of determining the amounts to be substituted. As hereinbefore stated the respondent members of the Chicago Livestock Exchange substituted salaries determined by a committee of five selected by them. Three members of this committee were officers of banks doing business at or near the stockyards. A fourth member of the committee is engaged in conducting a horse and mule business at the Union Stock Yards. The fifth member of the committee is secretary of the American Aberdeen Angus Breeders Association, which is an organization of breeders of purebred livestock with offices at the Union Stock Yards. All members of the committee have been engaged in business and located at the stockyards for a considerable period of time and are personally acquainted with many of the owners of respondent commission firms. All members of the committee with the exception of the one last referred to appeared at the hearing and were presented for cross-examination. The chairman of the committee testified in chief with respect to the procedure followed by the Committee in appraising the services of owners. In performing its work the committee was given a statement containing certain information with respect to each individual owner and his firm. This statement shows the age, the specific duty or duties, and whether the owner is a stockholder, member of a partnership, or an individual proprietor. It also shows the number of head of each species of livestock handled and the value of the same. It shows

the number of years in which the individual has been in business with his present firm, with other firms, and in other or related businesses. In addition to the foregoing information the statement contains a distribution of the individual's time on a percentage basis to the various functions performed by him for his firm. Some one or more members of the committee were acquainted with the individuals whose services were appraised. The appraisal was an attempt to evaluate persons rather than services. This appraisal of the person took the form of estimating what [fol. 146] a man is worth to his firm largely on account of his acquaintanceship with the trade and his ability to attract business to his firm. It is clear from the testimony that the salaries of the different owners were appraised at a high or low figure in proportion to the volume of business handled by their respective firms. The testimony also discloses that the committee gave weight to the salaries which in its opinion these owners could command if they were to be employed by other commission firms, although they did not have before them any information as to salaries being paid on the market for similar services performed by those whose salaries are determined on a bargain basis.

115. This appraisal cannot be accepted as a basis for determining the proper allowance for owners' services. This committee did not possess any peculiar qualifications for making this appraisal. Even if the appraisal of services such as these could be considered as a matter determinable by expert opinion, any generally well-informed citizen with the information at his disposal which the committee had before it could make an equally trustworthy appraisal. The rejection of the appraisal method used by the respondents rests upon the further and more fundamental ground that the method seeks to place upon each respondent worker an annual value based upon such record of his past performance as was before the committee. In other words, the appraisal attempts to fix a wage for owners. Upon this basis each owner would be entitled to his appraised value and no more, regardless of his future accomplishments, and no less, regardless of the small amount of service which he may render.

116. The record offers a much simpler and fairer method of determining a proper allowance for the services of own-

ers to be covered into reasonable costs. It contains all the information which the committee had before it and in addition many other facts pertinent to the determination of the cost of the services performed by owners. The committee gave consideration to what in their opinion owners could obtain if they were to offer their services on a bargained basis to other firms. The record shows what those employees actually do receive for their services in a market where services such as those rendered by owners are being bought and sold. The prices at which such services are bought and sold are generally regarded as the proper test to be applied.

[fol. 147] XXII—Reasonable Unit Costs Plus Reasonable Unit Profits To Be Covered into Reasonable Commission Rates

117. The Packers and Stockyards Act directs the Secretary of Agriculture to prescribe just, reasonable, and nondiscriminatory rates and charges if it is found after a full hearing that a schedule of rates and charges is unjust, unreasonable, or unjustly discriminatory. As hereinbefore stated the test to be applied in this case is whether respondents' rates and charges are in excess of the reasonable costs of doing business plus a reasonable allowance to cover management and risk. An analysis of the unit costs of the various respondent firms shows that there is a wide variation in these costs. The Government cost study shows for cattle and calves that the per head cost for the low firm is 23.60 cents and that for the high cost firm $1.715. For hogs the low firm shows a cost of 4.29 cents per head; the high firm 59.22 cents. For sheep the low cost firm shows 5.21 cents per head and the high cost firm 78.65 cents per head. The average cost to all firms cannot be accepted as the proper criterion for determining reasonable costs for the reason that an average has in it the inherent defect of incorporating extravagant expenditures, if any, and expenses arising from uneconomical methods of operation. The unit costs of many of the firms are high because the volume of business coming to the market is divided among so many firms and the organizations maintained are larger than necessary to handle it. Obviously, it would be unfair to respondents to adopt the unit cost of that firm which has the lowest unit cost of performing any given function. On the other hand,

it would be unfair to the shipper to charge him rates which would cover the cost of doing business as incurred by the firm having the highest unit cost for performing a given function. Under these circumstances the method here pursued is to determine a normal cost by the exercise of judgment upon all the facts of record, including the unit costs incurred by each firm in the performance of the several functions.

118. This method has been used by the Secretary in previous commission rate determinations. Respondents in these proceedings have undertaken to point out defects in this method and, as their chief criticism, state that there has not been included in the findings in previous orders any definite statements by the Secretary showing a specific, statistical method of procedure used by him in arriving at [fol. 148] reasonable unit costs. They contend that the Secretary should adhere closely to actual experience in arriving at reasonable unit costs, unless there are peculiar reasons for not doing so. They have suggested possible statistical methods to be followed. The first of these is the median, which is the unit cost for that firm above which there are as many firms with higher costs as there are below with lower costs. Another method is the bulk line whereby a certain percentage of firms would be eliminated from consideration. For example, if the 80% bulk line were to be adopted, those firms with the highest unit costs doing 20% of the total volume of business would be eliminated entirely from consideration. Under such circumstances, the unit costs selected as reasonable would be the highest unit cost of any of the remaining firms. Statistical tables were introduced for the purpose of showing respondents' unit costs according to the various bulk lines ranging from 10% to 90%. A third method proposed is some form of an average unit cost for the market with a percentage deviation. Somewhere within this zone of deviation a unit cost would be selected as reasonable. Respondents admit that in the use of any method reasonable judgment must be exercised. In the methods proposed by them, the exercise of judgment is confined largely to the selection of a statistical method of procedure. If the bulk-line method is adopted, it then becomes necessary to determine what bulk line is reasonable to use. If the market average with the percentage of deviation is adopted, it then becomes neces-

sary to determine what is a reasonable deviation from average. The validity of the conclusions reached under any one of these methods depends on the reasonableness of the judgment exercised. Under the methods suggested by respondents, judgment ceases to operate after the method of procedure is selected. Under the method herein adopted, all the advantageous features of the methods proposed by respondents are preserved and, at the same time, the opportunity for the exercise of judgment with respect to the details of the business of each individual firm is retained.

119. In general the expenses incurred by respondent firms fall into two classes. (1) There are those expenses which the conditions of the business tend to hold down. In this class are those expenses incurred for the performance of functions such as yarding and office work in which the persons employed are retained for the particular work to be performed and not for the amount of business which they may draw to the firm. (2) The second class of expenses is [fol. 149] that in which the factor of control of business tends to increase the expenses of doing business. In this class are such expenses as those of salesmanship, and business getting and maintaining. Expenses as actually incurred by any or all of the firms for these items do not furnish an adequate guide to the reasonableness of such costs. In arriving at a reasonable unit cost on account of these functions some additional procedure must be adopted. In the following paragraphs findings are made with respect to the reasonable allowance for unit costs for the performance of the various functions and the methods employed in arriving at those findings are shown.

Salesmanship

120. The function of selling and buying is performed on the Chicago market by owners of market agencies and by salesmen employed by them on a salary basis. This is one of the important items for which an allowance must be made in the reasonable unit costs. Certain practical problems confront the rate maker at this point. If the existing schedule of rates has been too high, the natural effect of it has been to attract more agencies into the business than are warranted. As heretofore shown, there is no competition in rates among respondents on the Chicago market. The Packers and Stockyards Act does not grant the Secretary

of Agriculture authority to determine how many firms would be required to handle the business properly, or what specific firms should be engaged in business, or whether some firms are unwisely continuing in business. The selling and buying of livestock require greater skill and judgment than the performance of any other of respondents functional activities, with the possible exception of management. The proportion of owners, as distinguished from employees, engaged in this activity is relatively large. The owners of firms are usually those who have established a more or less extensive acquaintanceship with producers and shippers of livestock and by reason of that personal acquaintanceship attract some business. Some of the employed salesmen also have a personal following in the country and are able to control some business. In numerous cases the compensation of employed salesmen is based in part at least upon their ability to draw business to the firm. Some salesmen are employed on the basis of a certain stipulated salary plus a certain percentage of the commissions realized from the business which they control and draw to the firm. [fol. 150] In the case of some other salesmen their compensation is based solely upon a percentage of the commissions realized from the business controlled by them. The compensation of approximately 25 per cent of the salesmen employed by the respondent commission firms in 1932 was based wholly or in part on a percentage of the commission received from the business controlled by them.

121. There are those firms which do not maintain a complete organization for handling their business. They may obtain the services of some other commission firm to perform their office work and some of the yard functions, including both yarding and selling. There are other instances in which all services are performed for the owner or owners by other commission firms upon a percentage basis. In such instances the owner or owners maintain firm identities in order that they may retain control of the business which they have been able to establish. Such firms usually handle a relatively small amount of business and their efforts are usually devoted to one particular species. The record does not disclose the volume of business handled by each salesman on the market. The information with respect to the sales of livestock is not kept by the respondent firms in such a manner as to reveal that fact. There is

a wide variation in the average performance per salesman, per firm, on the market. There is contained in the statistical study for 1932, prepared by Government accountants, a calculation in which there is applied to the number of cars or car equivalents the time spent by all salesmen and buyers in selling and buying, reduced to a man-year basis. This calculation shows a variation in the number of cars of cattle and calves handled from 12 to 1,668; hogs from 16 to 1,857; sheep from 114 to 2,485.

122. The rate payer should not be expected to pay in the form of rates an amount for the services of a salesman in selling his livestock greater than is necessary to employ a salesman of first-class ability, handling a volume of business which will utilize his time with a reasonable degree of efficiency. In this proceeding some salesmen testified that they might spend an entire day showing a few head or a few carloads of livestock, and that the entire trading period would be required to sell them. However, that fact does not establish the efficiency of such salesmen for the reason that they could possibly have shown and sold other livestock at the same time. The volume of business which a salesman can efficiently handle is an important [fol. 151] factor in the determination of a reasonable allowance to be made for salesmanship. Respondents themselves do not contend that the rate payer should pay rates which would sustain at a living wage a salesman who could handle only one car a year. Others testified that if a salesman did not have more than 50 cars a year he should get off the market. Confronted with these conditions, the question arises as to what is the criterion to be adopted for a reasonable salesmanship performance. The owner salesmen and employed salesmen of respondent commission firms are, as a result of years of experience, qualified to express opinions with respect to a reasonable salesmanship performance. They are familiar with the conditions under which livestock is sold from day to day, from week to week, from month to month, from year to year, on the Chicago market. In commission rate proceedings heretofore held under the Packers and Stockyards Act opinions have been obtained from salesmen with respect to this question. The facts as to potential salesmanship capacity lie peculiarly within the knowledge of those who are actually engaged in selling livestock or who through long observation and familiarity

with selling operations on the market are qualified to express opinions. With few exceptions witnesses, members of respondent firms in this proceeding, engaged in selling livestock were not frank to express their opinions, but on the contrary many of them declined to express an opinion or stated that they could not give an opinion. A careful reading of the record leads to the conclusion that this attitude on the part of the witnesses was brought about in part at least by the type and character of objections which respondents' counsel made on substantially all occasions when the question with respect to potential selling capacity was asked. It is apparent from the record that this failure on the part of the witnesses to testify with respect to the matter in question was the direct result of the improper and illegal character of the objections made, which had the effect of instructing the witness not to answer the question. In fact, it appears from the record that it was the deliberate intent of counsel to prevent the development of testimony with respect to potential selling capacity for the reason that in some instances respondents' counsel pointed out to the witness that such testimony had been used in other commission rate cases where commission rates had been reduced, and instructed the witness to remember that if he answered the question it might result in a reduction of his rates in this proceeding. In this connection the [fol. 152] language of the Supreme Court is singularly appropriate as used in the case of Knoxville v. Knoxville Water Co. (212 U. S. 1, 18) where it is said "* * * the companies to be regulated will find it to their lasting interest to furnish freely the information upon which a just regulation can be based."

123. The allowance for the unit cost of salesmanship should be sufficient to compensate adequately those salesmen who handle and sell such a volume of business as will utilize their time efficiently on the market, giving due consideration to the fluctuations in the business from day to day, from month to month, and from season to season. This principle involves the determination from the evidence what volume it would be reasonable for such a salesman to handle and what would be a reasonable salary for such a salesman. The allowance for salesmanship made in this order contemplates that such salesmanship will be of a high character whether performed by owners or employed

salesmen. A shipper is entitled to have his livestock sold by the most competent and efficient salesmen available. The salesmen of each of respondent commission firms are endeavoring to render the very best possible service to their customers. The chief factor in the success of a commission firm and its ability to hold business is the satisfactory character of the service rendered. Each respondent commission firm feels that its service in selling livestock so as to net the shipper the most money is not surpassed by similar services rendered by other firms on the market. Such salesmen, whether owners or employees, are entitled to receive a fair reward for their ability.

124. There is evidence in the record as to what would be a reasonable performance to expect of a salesman if he received all the livestock which he could sell. This is true notwithstanding the fact that many salesmen declined to express opinions as to their potential selling capacity. However, many of those who testified stated that they could sell efficiently as many head of livestock as any other competent salesman on the market. In some instances salesmen stated that they had not had all the livestock which they could sell. It does not appear from the record that any of respondent firms have refused to receive livestock because they had more than they could handle. There is testimony in the record with respect to the average annual performance of salesmen for each firm, as well as the actual performance of certain individual salesmen on specific days.

[fol. 153] 125. One salesman testified that on the Monday previous his firm had received about 400 head of butcher cattle, which would amount to about 18 or 19 loads. He stated that he and another butcher salesman sold all of these cattle on the day that they arrived. He also stated that there were several Mondays representing the peak days in the fall of the year when his firm had received 30 or 40 loads of butcher cattle and that he himself might sell half or less than half of that number. He stated that if he had one load or 19 loads, he would be trying to get just as much for each individual head for the shipper. It is his testimony that he could handle the amount of cattle that came to his firm. Another witness stated that he had sold four carloads of cattle in one day and had sold out by

noontime and if he had had two more loads that day he could have sold them. It was his well-formed opinion that he could sell six loads of cattle in a day. He stated that if he should get 10 loads of cattle, he would go out and sell them and would not hire any extra help in selling them but that he might require some extra help in yarding. This estimate applied to all kinds of cattle. Another witness gave it as his opinion that a good salesman should be able to sell 25 carloads of steers in a day. A witness who is a representative of a livestock producers organization testified that in his opinion a cattle salesman should handle 2,000 cars of cattle in a year and a hog salesman should handle an equal number of hogs in a year. This witness has had experience in shipping a great many cattle and hogs to the markets at Omaha and Chicago and has spent considerable time on the markets observing the sale of livestock. A cattle salesman testified that over the course of a year a salesman could sell five carloads of steers per day if the market is right. He stated that during the present summer he had seen salesmen sell as many as 10 carloads in a day. The owner of one of the large commission firms testified that taking the average of the market as cattle come, he and two salesmen could sell 15 cars per day. The calf salesman for this firm testified that he had handled about 1,500 calves on one day in 1933 and that his assistant had sold only a few out of that number. The owner of one of the respondent commission firms whose business is being cleared by another firm testified that he would want 150 carlots of cattle per month in order to set up his own organization. He stated that it would depend upon the kind of cattle whether he would need an extra salesman. At the time the witness was testifing he had an assistant [fol. 154] acting as a yardman who sold some cattle. The witness stated that if he had four loads of steers and four loads of mixed cattle, he would need help. Another witness testified that on a decent market a salesman might sell 20 loads of cattle in the same time that it would take to sell two to four loads on other days. Another salesman estimated that he sold 40 per cent of the cattle for his firm, which received 2,512 cars or carlot equivalents in 1932.

126. A hog salesman stated that the number of hogs which he could handle would depend upon the number consigned

to him and that he had never failed to sell all the hogs that were put in his possession to sell. Another hog salesman stated that he would not want personally to have to handle over eight or ten loads of hogs a day. He stated that if he received more than that number he would have to hire help. Another salesman stated that he could sell ten loads of butcher hogs per day where each load belonged to a different owner. Another witness stated that his assistant, who is a yardman, sold about 5 per cent of the hogs received by his firm in 1932. This firm handled 79,505 hogs for itself and 17,608 hogs for another firm. Another witness testified that on one day of the month of July his firm had 1,300 head of hogs which were sold by two salesmen.

127. A witness who is a representative of a livestock producers organization and has had extensive experience in shipping livestock to central markets stated that he had seen one salesman sell 18 or 19 double-deck cars of sheep in one day. His observation covered consignments containing as much as five or six cars each and he stated that it would in his opinion require more time to sell the same number if they were single car consignments than if they were consignments of five or six cars. Another witness, who is a sheep salesman, stated that he had sold as high as 15 carloads of sheep in a day alone and unaided. The same salesman stated that he had purchased as high as 10 cars of sheep in one day on order.

128. A salesman's primary work requires that he devote as much of his time as is necessary to the performance of his selling function. The duties of yarding, and business getting in the field are secondary. Both the accountant for the Government and the accountant for the respondent made calculations on actual performance. The Government accountant in his calculation considered only the time actually spent in the selling or buying function, eliminating [fol. 155] such time as was spent in yarding and business getting. The accountant for the respondents considered in his calculation the full time of the salesmen as having been spent in selling without eliminating any time spent in the yard performing other duties and in the field soliciting business. Under the Government accountant's calculation for the year 1932, nine firms had an average performance

per salesman of from 876 cars to 1,668 cars for the species cattle and calves; for 1931, 12 firms had a similar performance, ranging from 893 cars to 1,549 cars. Under respondent's accountant's calculations, three firms had an average performance per man ranging from 884 cars to 1,139 cars. The calculation for the firm having 1,139 cars per salesman is based on five salesmen. Should the calculation for this firm be based on four salesmen, the number shown on its payroll, the performance would be 1,424 cars per man. On a monthly basis some firms had a performance per man ranging from 2,400 head to over 4,200 head. An exhibit prepared by respondents' accountant shows for the firms covered in the time-study period the average daily performance per salesman for the species cattle and calves of from four to fifteen cars.

129. For the species hogs, Government accountant's calculation for the year 1932 shows 13 firms having an average performance per salesman ranging from 871 cars per man to 1,857 cars per man. For the year 1931, 19 firms averaged per salesman from 896 cars to 1,787 cars. Respondents' accountant's calculation for hogs shows that one firm handled 903 cars per man in the year 1932. On a monthly basis the volume per salesman of some of the high-performance firms ranged from 7,500 head per man to 20,000 head per man. The daily performance shown in respondents' cost study for various firms during the time-study period ranged from 4 to 9 cars per man per day. Some 50 instances of such performance occurred during the time-study period.

130. In 1932, 14 firms had regularly employed sheep salesmen. The Government study for this year shows a performance for sheep salesmen for 3 firms ranging from 1,195 cars to 2,485 cars. For 1931, 5 firms showed an average performance per man ranging from 954 cars to 2,555 cars. Respondents' study for the year 1932 shows 2 firms which had a performance of 1,087 cars per man and 1,111 cars per man. On a monthly basis for the year 1932, the Government's calculation shows a performance per man ranging as high as 94,000 head. Respondents' time-study [fol. 156] shows an average daily performance per man in selling sheep ranging from 4 cars to approximately 10 cars. The average number of head per car used by the Govern-

ment in ascertaining volume in car-lot equivalents was 29 head for cattle and calves, 82 head for hogs, and 201 head for sheep.

131. The character of the livestock commission business is such that employed salesmen generally have to be hired for a full year and owner salesmen have to stand ready to sell at all times during the year. What the owner earns for himself, or what he can afford to pay an employee salesman under any schedule of rates, depends upon how much livestock he receives to be sold. The volume sold by a salesman is not the sole test of his efficiency. One salesman may sell half the number of cars of livestock sold by another and sell them equally well, but he cannot expect to receive as much for his year's work as does the latter salesman or as much as he himself would receive if he sold a greater volume of livestock. Under any other assumption, like selling service on the same market would cost one shipper more per car or per head than it would another. The record shows that there is a relationship between the amount of selling done and the salaries received. The appraisal committee recognized this association and placed its highest appraised salaries upon owners whose firms received the largest volume of livestock. In arriving at a reasonable per-head cost to be carried into a reasonable schedule of rates, it is necessary to determine what salaries it would be fair and reasonable to associate with different sales volumes.

132. The record contains information showing the number of employed salesmen on the yards in 1931 and 1932, together with the salaries paid to them. In some instances it is difficult to determine from the evidence whether an individual should be classified as a salesman or a yardman. Based upon the classification made by the respondents themselves there were approximately 124 employed cattle salesmen in 1931 and 115 employed cattle salesmen in 1932, 71 hog salesmen in 1931 and 61 hog salesmen in 1932; and 21 sheep salesmen in 1931 and 16 sheep salesmen in 1932. The variation in the number between the two years in each instance may be in part due to a change in classification of some individuals who spend part of their time in selling and a part of their time in yarding or performing other functions. The following table shows the salary range and the

number of salesmen coming within each salary group for [fol. 157] each species of livestock:

Cattle Salesmen:

	1932	1931
No. receiving $6,000 or more	15	24
5,000 to 6,000	10	7
4,000 to 5,000	14	20
3,000 to 4,000	29	30
2,000 to 3,000	32	26
Less than 2,000	15	17
Total	115	124

Hog Salesmen:

No. receiving $6,000 or more	0	5
5,000 to 6,000	6	9
4,000 to 5,000	12	10
3,000 to 4,000	17	21
2,000 to 3,000	18	13
Less than 2,000	8	13
Total	61	71

Sheep Salesmen:

No. receiving $6,000 or more	2	2
5,000 to 6,000	2	1
4,000 to 5,000	1	1
3,000 to 4,000	3	4
2,000 to 3,000	7	9
Less than 2,000	1	4
Total	16	21

133. In order to earn these salaries the employed salesmen performed actual selling and handling of livestock in the yards and spent time in the country doing appraisal and publicity work. Some spent more time in such outside work than others. Most of them also did some office work, such as carrying on correspondence with their customers. Many of them did some work in the yard in connection with the sorting, driving, watering, feeding, and weighing of livestock. These salaries in many cases represent a man's

worth to the firm from the standpoint of the volume of business which he can attract. Some of these salaries are based upon a percentage of the commissions realized by the firm from the business controlled by the salesmen. In other [fol. 158] instances the salaries represent a stated monthly or weekly payment plus a percentage of the commissions realized from the business controlled. The owner of one of the respondent commission firms testified that some of the big firms have salesmen working for them who are being paid larger salaries than he could afford to pay but that in his opinion those salesmen probably could not sell cattle as well as his salesmen. He further stated that some of the firms pay larger salaries because the men are drawing enough business in order to permit them to pay such salaries. It was his opinion that his salesmen were as efficient as any on the yards. This witness is paying his best employed cattle salesman $3600 and hog salesman $3640 a year. He stated that he regarded his salesmen as efficient as any other salesmen and if they were not, he would employ salesmen who were as efficient as any others.

134. The salaries of the employed salesmen are the result of bargaining and afford a fair test of what salesmanship can be purchased for in the open market. Many of the owners of respondent commission firms act as salesmen. The quality of the service in selling livestock rendered by employed salesmen and owner salesmen is generally the same. Owners have other responsibilities and activities in connection with the management of their firms for which they are entitled to receive remuneration and for which an allowance is hereinafter made in determining reasonable unit costs. From the facts with respect to the salaries paid to employed salesmen, an allowance for salesmanship is determined as reasonable for the performance of that service, regardless of whether it is performed by owners or employees. Upon consideration of the conditions under which salesmanship is performed on the Chicago market, the fluctuation of receipts from day to day and from season to season, the volume of livestock handled by the respective firms, the volume handled by various salesmen in a year, month, or day, and the estimates of witnesses as to what can be expected of a salesman, it is found that it is reasonable to associate a salesmanship performance of 27,000 head or above of animals of the bovine species with a

salary of $4,500 and up; a salesmanship performance in the case of hogs of 87,000 head and above with a salary of $3,600 and above; and a salesmanship performance in the case of sheep of 270,000 head and above with a salary of $4,000 and above. The selection of the salary and the salesmanship performance to be associated with it places no limitation upon what any salesman can do or may earn. It [fol. 159] determines a reasonable per-head salesmanship cost to be covered into a reasonable schedule of rates applicable to a unit of service. What a salesman may earn depends upon his skill and ability and the volume of livestock available for him to sell. On the basis of all the facts in the record, it is found that the following constitute reasonable per-head costs to be covered into rates on account of salesmanship:

Cattle and calves	$.1667
Hogs	.0414
Sheep	.0148

Yarding Salaries

135. The handling of livestock in the yard occasions expenses on account of salaries paid to those who do the yarding. The accountant for the Government allocated direct to species yarding salaries paid in 1932. The per-head cost of yarding salaries on account of each species, irrespective of mode of arrival, is shown in the following tables:

[fol. 160] Cattle and Calves

Firm No.	No. of head	Yarding Salaries	Firm No.	No. of head	Yarding Salaries
72	4,442	$.0007	87	9,396	$.0798
47	1,271	.0008	32	1,792	.0800
103	24	.0020	6	29,701	.0803
5	2,007	.0146	26	26,031	.0830
29	14,426	.0171	78	13,542	.0873
12	7,814	.0198	65	1,342	.0875
85	13,132	.0236	1	1,095	.0892
77	74,220	.0284	56	62,105	.0893
46	3,130	.0354	35	4,533	.0895
39	1,449	.0375	4	148,819	.0912
31	1,033	.0395	45	87,528	.0905
7	177	.0484	80	36,342	.0911
17	412	.0446	61	19,481	.0919
42	14,365	.0507	24	48,754	.0926
96	27,143	.0522	19	32,630	.0933
59	18,933	.0523	75	38,604	.0935
54	32,657	.0530	40	27,389	.0941
9	3,466	.0594	14	121	.0947
86	2,330	.0600	70	51,037	.0966
76	658	.0604	89	495	.1020

Cattle and Calves—Continued

Firm No.	No. of head	Yarding Salaries	Firm No.	No. of head	Yarding Salaries
16	28,931	.0622	8	14,096	.1020
10	59,159	.0634	3	4,198	.1022
43	39,217	.0642	99	51,593	.1049
51	158,140	.0649	36	11,002	.1056
104	18,357	.0660	2	15,626	.1069
48	59,659	.0664	94	10,146	.1078
92	34,140	.0672	100	163,862	.1080
69	20,655	.0679	82	5,988	.1082
30	47,364	.0686	62	21,349	.1088
84	2,066	.0690	73	25,474	.1101
34	32,711	.0708	11	63,219	.1106
27	6,286	.0723	95	3,094	.1135
81	49,487	.0730	38	34,477	.1168
67	5,524	.0733	74	4,862	.1220
63	36,768	.0744	79	15,231	.1220
83	32,162	.0747	15	855	.1255
22	19,987	.0758	68	2,694	.1272
71	66,384	.0760	23	42,362	.1280
91	1,515	.0764	58	48,511	.1316
20	47,832	.0766	111	3,433	.1326
18	149,778	.0776	52	4,224	.1358
44	1,069	.0776	41	287	.1371
21	47,508	.0778	98	519	.1383
88	581	.0782	50	7,683	.1400
55	26,343	.0783	37	19,767	.1444
101	2,748	.0789	28	13,785	.1582
66	141,218	.0792	64	6,888	.1711
102	565	.0793	60	1,344	.2017
97	39,467	.0797	93	23,089	.2020
33	60,917	.0798	13	3,608	.2378

[fol. 161]

Hogs

47	13,693	$.0005	63	80,027	$.0319
72	963	.0034	1	3,805	.0320
71	71,538	.0054	10	66,307	.0321
9	17,359	.0087	91	23,168	.0338
80	12,884	.0112	51	88,192	.0342
103	65	.0115	19	93,622	.0344
69	51,034	.0117	79	5,118	.0349
45	117,651	.0148	93	85,572	.0349
26	40,243	.0164	61	38,784	.0350
74	6,234	.0176	2	51,946	.0351
77	74,638	.0135	40	50,850	.0355
12	8,434	.0147	44	16,616	.0359
55	57,814	.0168	50	14,098	.0360
3	7,185	.0199	100	508,264	.0367
7	402	.0204	68	10,812	.0373
41	905	.0207	48	153,661	.0376
97	95,077	.0219	28	31,688	.0378
35	25,879	.0228	73	48,534	.0378
102	9,299	.0229	83	49,372	.0383
56	19,909	.0239	66	129,004	.0385
111	2,898	.0242	38	48,126	.0414
36	4,724	.0243	58	64,913	.0416
18	116,479	.0245	43	47,412	.0419
20	93,825	.0245	76	7,306	.0428
99	249,755	.0248	21	100,545	.0429
11	105,011	.0252	96	44,653	.0437
34	116,999	.0252	92	56,246	.0439
16	51,783	.0256	33	74,722	.0440
49	7,584	.0258	81	44,727	.0466
4	104,236	.0262	84	17,200	.0476

Hogs—Continued

Firm No.	No. of head	Yarding Salaries	Firm No.	No. of head	Yarding Salaries
23.....	77,905	.0267	46.....	2,806	.0483
14.....	14,152	.0270	27.....	21,610	.0494
24.....	53,757	.0273	15.....	13,784	.0497
85.....	43,221	.0277	98.....	505	.0497
86.....	10,591	.0277	37.....	65,748	.0519
6.....	76,895	.0280	104.....	14,756	.0543
5.....	1,491	.0281	52.....	1,819	.0561
42.....	74,736	.0283	70.....	45,980	.0578
62.....	53,334	.0285	60.....	1,499	.0603
82.....	78,040	.0286	75.....	16,036	.0632
64.....	14,820	.0287	32.....	1,809	.0644
29.....	49,458	.0288	8.....	10,288	.0680
54.....	63,713	.0291	13.....	11,296	.0705
65.....	8,751	.0294	30.....	24,616	.0711
87.....	30,059	.0296	67.....	3,742	.0740
95.....	2,167	.0296	94.....	7,157	.0806
78.....	55,012	.0299	101.....	728	.1192
22.....	118,620	.0313	59.....	8,395	.1264
39.....	18,252	.0313	17.....	2,699	.1534
88.....	1,266	.0315			

[fol. 162]

Sheep

2.....	4,637	$.0006	78.....	16,362	$.0110
81.....	59,563	.0007	16.....	4,605	.0111
79.....	970	.0016	3.....	321	.0115
44.....	1,323	.0028	97.....	16,681	.0115
86.....	358	.0028	9.....	1,149	.0116
103.....	67,201	.0042	35.....	1,255	.0116
14.....	13	.0046	92.....	8,560	.0119
33.....	11,959	.0047	42.....	4,065	.0122
93.....	19,958	.0047	55.....	12,827	.0122
62.....	26,891	.0050	76.....	209	.0124
83.....	19,063	.0050	66.....	105,764	.0125
45.....	32,843	.0053	30.....	4,715	.0127
82.....	852	.0055	73.....	6,301	.0127
57.....	631,599	.0058	13.....	1,441	.0131
54.....	5,073	.0059	1.....	372	.0134
50.....	939	.0063	12.....	3,409	.0136
32.....	860	.0066	48.....	12,275	.0139
96.....	7,676	.0066	20.....	6,367	.0147
56.....	9,554	.0069	63.....	6,249	.0153
29.....	62,402	.0071	8.....	1,252	.0155
6.....	9,431	.0074	102.....	252	.0157
4.....	132,822	.0075	64.....	1,109	.0158
46.....	827	.0075	24.....	2,676	.0159
59.....	1,037	.0075	26.....	2,[illegible]	.0162
21.....	29,199	.0076	19.....	9,233	.0170
80.....	14,021	.0078	40.....	4,634	.0171
36.....	4,257	.0082	87.....	2,295	.0174
65.....	587	.0083	11.....	6,931	.0175
91.....	1,923	.0084	5.....	468	.0179
18.....	515,982	.0087	37.....	2,521	.0179
94.....	944	.0092	39.....	145	.0183
10.....	148,745	.0092	61.....	2,082	.0184
90.....	273,314	.0092	77.....	16,490	.0185
99.....	135,425	.0092	111.....	1,956	.0187
100.....	397,609	.0099	72.....	45	.0196
104.....	1,291	.0100	23.....	2,525	.0197
28.....	3,493	.0102	43.....	1,818	.0211
22.....	7,922	.0103	85.....	1,495	.0220
51.....	34,211	.0103	17.....	90	.0250

Sheep—Continued

Firm No.	No. of head	Yarding Salaries	Firm No.	No. of head	Yarding Salaries
38	6,749	.0105	84	348	.0258
58	13,161	.0105	75	2,930	.0277
70	3,828	.0105	74	89	.0281
7	119	.0106	27	1,021	.0297
71	142,503	.0106	88	51	.0300
69	5,726	.0109	15	369	.0503
34	6,444	.0110	68	273	.0528
			52	151	.2087

[fol. 163] On the basis of the foregoing and of the general information contained in the record, it is found that the reasonable and normal costs to be covered into rates on account of yarding salaries are as follows:

$.0725 per head as to cattle and calves
.0280 per head as to hogs
.0085 per head as to sheep

Yarding Expenses

136. The per head cost of yarding expenses, consisting chiefly of expenses for horse and saddle and yard supplies, is as follows for each species:

Cattle and Calves

Firm No.	No. of head	Yarding Expenses	Firm No.	No. of Head	Yarding Expenses
2	15,626	$.0002	61	19,481	$.0078
94	10,146	.0002	11	63,219	.0083
30	47,364	.0003	99	51,593	.0083
29	14,426	.0005	70	51,037	.0094
73	25,474	.0005	97	39,467	.0094
26	26,031	.0006	97	38,604	.0095
48	59,659	.0006	51	158,140	.0108
59	18,933	.0007	58	48,511	.0113
82	5,988	.0007	66	141,216	.0113
22	19,987	.0011	4	148,819	.0117
24	48,754	.0011	34	32,711	.0117
40	27,389	.0014	38	34,477	.0117
56	62,105	.0016	54	32,657	.0132
45	87,528	.0020	81	49,487	.0133
37	19,767	.0024	83	32,162	.0150
18	149,778	.0038	96	27,143	.0151
42	14,365	.0039	92	34,140	.0153
100	163,862	.0042	69	20,655	.0158
77	74,220	.0043	10	59,159	.0163
63	36,768	.0057	62	21,349	.0168
93	23,089	.0059	6	29,701	.0170
33	60,917	.0060	19	32,630	.0200
71	66,384	.0060	55	26,343	.0210
104	18,357	.0061	43	39,217	.0219
13	3,608	.0065	80	36,342	.0240
20	47,832	.0065	23	42,362	.0245
16	28,931	.0067	12	7,814	.0461
21	47,508	.0077			

[fol. 164] Hogs

Firm No.	No. of head	Yarding Expenses	Firm No.	No. of Head	Yarding Expenses
2.....	51,946	$.0001	97.....	95,077	$.0004
10.....	66,307	.0001	104.....	14,756	.0004
16.....	51,783	.0001	51.....	88,192	.0005
26.....	40,243	.0001	99.....	249,755	.0005
30.....	24,616	.0001	37.....	65,748	.0007
34.....	116,999	.0001	13.....	11,296	.0008
38.....	48,126	.0001	23.....	77,905	.0008
43.....	47,412	.0001	70.....	45,980	.0008
81.....	44,727	.0001	73.....	48,534	.0008
94.....	7,157	.0001	75.....	16,036	.0008
19.....	93,622	.0002	92.....	56,246	.0008
48.....	153,661	.0002	4.....	104,236	.0010
58.....	64,913	.0002	33.....	74,722	.0014
82.....	78,040	.0002	93.....	85,572	.0015
24.....	53,757	.0003	91.....	23,168	.0016
100.....	508,264	.0003	18.....	116,479	.0017
22.....	118,620	.0004	55.....	57,814	.0018
54.....	63,713	.0004	62.....	53,334	.0022

[fol. 165] Sheep

10.....	148,745	$.0001	82.....	852	$.0002
16.....	4,605	.0001	4.....	132,822	.0004
26.....	2,220	.0001	104.....	1,291	.0004
43.....	1,818	.0001	13.....	1,441	.0005
90.....	273,314	.0001	18.....	515,982	.0006
92.....	8,560	.0001	24.....	2,676	.0006
99.....	135,425	.0001	23.....	2,525	.0008
19.....	9,233	.0002	62.....	26,891	.0009
30.....	4,715	.0002	33.....	11,959	.0010
37.....	2,521	.0002	93.....	19,958	.0012

On the basis of the foregoing and of the general information contained in the record, it is found that the reasonable and normal costs to be covered into rates on account of yarding expenses are as follows:

$.0075 per head as to cattle and calves
.0004 per head as to hogs
.0002 per head as to sheep

Office Salaries

137. The per head cost on account of office salaries paid in 1932 allocated to each of the species is as follows:

Cattle & Calves

Firm No.	No. of Head	Office Salaries	Firm No.	No. of Head	Office Salaries
84.....	2,066	$.0136	81.....	49,487	$.0846
98.....	519	.0203	65.....	1,342	.0850
47.....	1,271	.0253	40.....	27,389	.0878
111.....	3,433	.0292	6.....	29,701	.0886
104.....	18,357	.0322	34.....	32,711	.0894
3.....	4,198	.0406	76.....	658	.0894
88.....	581	.0420	48.....	59,659	.0896
69.....	20,655	.0426	22.....	19,987	.0903

[fol. 166] Cattle & Calves—Continued

Firm No.	No. of Head	Office Salaries	Firm No.	No. of Head	Office Salaries
86	2,330	.0436	29	14,426	.0933
4	148,819	.0463	19	32,630	.0943
85	13,132	.0474	68	2,694	.0960
41	287	.0525	36	11,002	.1002
38	34,477	.0527	73	25,474	.1014
52	4,224	.0540	58	48,511	.1016
30	47,364	.0546	87	9,396	.1020
54	32,657	.0557	78	18,542	.1037
8	14,096	.0567	32	1,792	.1089
7	177	.0575	94	10,146	.1106
95	3,094	.0580	100	163,862	.1107
72	4,442	.0581	10	59,159	.1111
39	1,449	.0585	101	2,768	.1111
66	141,218	.0628	50	7,683	.1133
33	60,917	.0629	63	36,768	.1149
43	39,217	.0639	46	3,130	.1160
71	66,384	.0644	5	2,007	.1168
61	19,481	.0646	96	27,143	.1193
56	62,105	.0664	60	1,344	.1217
64	6,888	.0671	70	51,037	.1365
75	38,604	.0673	99	51,593	.1367
92	34,140	.0674	55	26,343	.1372
28	13,785	.0689	67	5,524	.1372
20	47,832	.0693	42	14,365	.1406
77	74,220	.0697	12	7,814	.1469
45	87,528	.0721	74	4,862	.1518
17	412	.0736	79	15,231	.1564
59	18,933	.0741	31	1,033	.1580
16	28,931	.0750	26	26,031	.1767
24	48,754	.0752	102	565	.2110
51	158,140	.0758	103	24	.2142
11	63,219	.0760	15	855	.2267
62	21,349	.0760	90	15	.2360
35	4,533	.0768	27	6,286	.2377
22	19,987	.0769	89	495	.2617
23	42,362	.0780	1	1,095	.2708
83	32,162	.0787	14	121	.2962
82	5,988	.0793	91	1,515	.3446
18	149,778	.0802	13	3,608	.3990
97	39,467	.0818	49	10	.4450
21	47,508	.0827	9	3,466	.5109
27	6,286	.0832			
93	23,089	.0839			
44	1,069	.0842			
80	36,342	.0846			

[fol. 167] Hogs

47	13,693	$.0015	87	30,059	$.0278
84	17,200	.0034	102	9,299	.0281
111	2,898	.0091	19	93,622	.0284
39	18,252	.0100	2	51,946	.0288
85	43,221	.0109	4	104,236	.0292
86	10,591	.0110	48	153,661	.0297
98	505	.0111	71	71,538	.0301
72	963	.0125	29	49,458	.0310
69	51,034	.0143	51	86,493	.0312
35	25,879	.0147	32	1,809	.0313
41	905	.0147	77	74,638	.0319
54	63,713	.0162	83	49,372	.0319
7	402	.0165	66	129,004	.0322
34	116,999	.0166	49	7,584	.0329
82	78,040	.0166	14	14,152	.0329

Hogs—Continued

Firm No.	No. of Head	Office Salaries	Firm No.	No. of Head	Office Salaries
76	7,306	.0177	100	508,264	.0336
28	31,688	.0183	75	16,036	.0344
16	51,783	.0194	11	105,011	.0346
104	14,756	.0198	50	14,098	.0347
44	16,616	.0200	67	3,742	.0369
65	8,751	.0205	73	48,534	.0390
52	1,819	.0206	18	116,479	.0393
93	85,572	.0207	58	64,913	.0394
43	47,412	.0210	103	65	.0395
64	14,820	.0211	10	66,307	.0414
23	77,905	.0214	63	80,027	.0417
22	118,620	.0218	59	8,395	.0421
8	10,286	.0226	5	1,491	.0429
61	38,784	.0229	36	4,724	.0435
38	48,126	.0231	46	2,806	.0436
88	1,266	.0232	55	57,814	.0438
45	117,651	.0234	94	7,157	.0449
97	95,077	.0234	70	45,980	.0455
3	7,185	.0247	15	13,784	.0469
68	10,812	.0248	81	44,727	.0475
95	2,167	.0250	96	44,653	.0477
78	55,012	.0251	56	19,909	.0494
20	93,825	.0252	89	253	.0508
27	21,610	.0254	37	65,748	.0513
24	53,757	.0259	74	6,234	.0521
30	24,616	.0262	80	12,884	.0523
62	53,334	.0262	26	40,243	.0545
21	100,545	.0264	1	3,805	.0549
33	74,722	.0267	60	1,499	.0560
99	249,755	.0267	12	8,434	.0581
92	56,246	.0272	91	23,168	.0607
42	74,736	.0273	79	5,118	.0641
40	50,850	.0274	13	11,296	.0866
6	76,895	.0276	101	728	.0945
17	2,699	.0277	9	17,359	.1164

[fol. 168]

Sheep

111	1,956	$.0028	75	2,930	$.0264
84	348	.0048	8	1,252	.0273
57	631,599	.0063	2	4,637	.0275
7	119	.0069	59	1,037	.0275
29	62,402	.0075	30	4,715	.0278
71	142,503	.0077	56	9,554	.0281
69	5,726	.0078	61	2,082	.0286
81	59,563	.0087	40	4,634	.0288
18	515,982	.0091	46	827	.0289
100	397,609	.0096	3	321	.0290
4	132,822	.0101	96	7,676	.0292
10	148,745	.0105	19	9,233	.0293
52	151	.0106	82	852	.0295
99	135,425	.0111	38	6,749	.0302
86	358	.0111	20	6,367	.0305
45	32,843	.0112	12	3,409	.0312
78	16,362	.0116	43	1,818	.0313
83	19,063	.0125	5	468	.0335
36	4,257	.0128	48	12,275	.0337
90	273,314	.0129	73	6,301	.0350
62	26,891	.0129	42	4,065	.0351
6	9,431	.0145	76	209	.0361
104	1,291	.0146	102	252	.0371
16	4,605	.0148	91	1,923	.0374

Sheep—Continued

Firm No.	No. of Head	Office Salaries	Firm No.	No. of Head	Office Salaries
66	105,764	.0152	94	944	.0392
93	19,958	.0155	68	273	.0394
35	1,255	.0155	11	6,931	.0403
33	11,959	.0156	39	145	.0414
22	7,922	.0167	24	2,676	.0425
32	860	.0167	23	2,525	.0443
21	29,199	.0183	27	1,021	.0449
85	1,495	.0187	87	2,295	.0464
103	67,201	.0190	72	45	.0484
97	16,681	.0194	13	1,441	.0501
54	5,073	.0198	70	3,828	.0507
92	8,560	.0201	63	6,249	.0517
80	14,021	.0204	26	2,220	.0561
65	587	.0209	17	90	.0574
51	34,211	.0212	37	2,521	.0620
34	6,444	.0218	50	939	.0714
[fol. 169]					
44	1,323	$.0233	88	51	$.0843
74	89	.0239	1	372	.1038
28	3,493	.0245	15	369	.1199
64	1,109	.0246	49	59	.1376
79	970	.0254	9	1,149	.1410
58	13,161	.0255	14	13	.2331
55	12,827	.0258	60	2	.4950
77	16,490	.0262	89	8	.8575

On the basis of the foregoing and of the general information contained in the record, it is found that the reasonable and normal costs to be covered into rates on account of office salaries are as follows:

$.0750 per head as to cattle and calves
.0250 per head as to hogs
.0090 per head as to sheep

Office Expenses Other Than Salaries

138. The per head cost on account of office expenses in 1932 allocated to each of the species is as follows:

Cattle and Calves

Firm No.	No. of Head	Office Expenses	Firm No.	No. of Head	Office Expenses
52	4,224	$.0010	63	36,768	$.0436
15	855	.0013	2	15,626	.0451
32	1,792	.0016	96	27,143	.0452
84	2,066	.0030	21	47,508	.0460
98	519	.0038	71	66,384	.0468
60	1,344	.0039	65	1,342	.0486
95	3,094	.0040	22	19,987	.0491
7	177	.0057	23	42,362	.0496
9	3,466	.0062	47	1,271	.0500
67	5,524	.0077	49	10	.0500
27	6,286	.0099	92	34,140	.0521
35	4,533	.0101	58	48,511	.0522

[fol. 170] Cattle and Calves—Continued

Firm No.	No. of Head	Office Expenses	Firm No.	No. of Head	Office Expenses
72	4,442	$.0117	104	18,357	$.0522
82	5,988	.0118	77	74,220	.0539
64	6,888	.0127	39	1,449	.0547
8	14,096	.0139	55	26,343	.0547
76	658	.0139	54	32,657	.0548
36	11,002	.0145	85	13,132	.0549
5	2,007	.0149	68	2,694	.0553
103	24	.0150	34	32,711	.0576
50	7,683	.0154	73	25,474	.0608
59	18,933	.0163	40	27,389	.0632
11	63,219	.0170	6	29,701	.0645
3	4,198	.0178	62	21,349	.0659
86	2,330	.0182	10	59,159	.0662
70	51,037	.0211	43	39,217	.0664
44	1,069	.0212	100	163,862	.0668
28	13,785	.0223	38	34,477	.0674
111	3,433	.0247	99	51,593	.0702
14	121	.0256	97	39,467	.0712
4	148,819	.0276	81	49,487	.0755
48	59,659	.0316	42	14,365	.0760
51	158,140	.0322	93	23,089	.0768
75	38,604	.0331	79	15,231	.0788
19	32,630	.0333	61	19,481	.0800
30	47,364	.0364	83	32,162	.0806
33	60,917	.0368	94	10,146	.0828
24	48,754	.0372	16	28,931	.0851
45	87,528	.0375	1	1,095	.0855
66	141,218	.0377	12	7,814	.0856
56	62,105	.0386	69	20,655	.0879
78	13,542	.0394	37	19,767	.0898
80	36,342	.0399	29	14,426	.0926
20	47,832	.0404	91	1,515	.1444
18	149,778	.0408	13	3,608	.1835
26	26,031	.0432	74	4,862	.2012
			46	3,130	.2687
			17	412	.5501
			89	495	1.7191

[fol. 171] Hogs

15	13,784	$.0003	68	10,812	$.0143
52	1,819	.0004	2	51,946	.0144
32	1,809	.0005	20	93,825	.0147
84	17,200	.0007	21	100,545	.0147
9	17,359	.0014	42	74,736	.0147
7	402	.0016	4	104,236	.0149
95	2,167	.0017	33	74,722	.0156
60	1,499	.0018	63	80,027	.0158
35	25,879	.0019	54	63,713	.0160
67	3,742	.0021	75	16,036	.0169
98	505	.0022	1	3,805	.0173
72	963	.0025	30	24,616	.0175
82	78,040	.0025	55	57,814	.0175
14	14,152	.0028	96	44,653	.0181
76	7,306	.0028	93	85,572	.0190
103	65	.0028	66	129,004	.0193
27	21,610	.0030	37	65,748	.0194
47	13,693	.0030	40	50,850	.0197
49	7,584	.0037	18	116,479	.0200
64	14,820	.0040	6	76,895	.0201
86	10,591	.0046	100	508,264	.0202
50	14,098	.0047	58	64,913	.0203

1951

Hogs—Continued

Firm No.	No. of Head	Office Expenses	Firm No.	No. of Head	Office Expenses
44	16,616	.0050	97	95,077	.0204
5	1,491	.0055	92	56,246	.0210
8	10,288	.0056	43	47,412	.0218
28	31,688	.0059	71	71,538	.0219
36	4,724	.0063	16	51,783	.0220
70	45,980	.0070	62	53,334	.0227
111	2,898	.0077	73	48,534	.0234
11	105,011	.0078	10	66,307	.0246
39	18,252	.0093	77	74,638	.0246
59	8,395	.0093	80	12,884	.0247
78	55,012	.0095	91	23,168	.0254
19	93,622	.0100	61	38,784	.0284
48	153,661	.0105	56	19,909	.0287
34	116,999	.0107	69	51,034	.0295
3	7,185	.0109	38	48,126	.0296
65	8,751	.0117	29	49,458	.0308
45	117,651	.0122	104	14,756	.0321
85	43,221	.0126	79	5,118	.0323
24	53,757	.0128	83	49,372	.0326
26	40,243	.0133	94	7,157	.0336
51	88,192	.0133	12	8,434	.0339
23	77,905	.0136	13	11,296	.0399
99	249,755	.0137	81	44,727	.0427
22	118,620	.0139	74	6,234	.0691
			46	2,806	.1009
			17	2,699	.2071
			89	253	.3332

[fol. 172]

Sheep

52	151	$.0002	48	12,275	$.0119
32	860	.0003	65	587	.0119
7	119	.0007	3	321	.0127
15	369	.0007	79	970	.0128
84	348	.0010	83	19,063	.0128
103	67,201	.0013	75	2,930	.0130
9	1,149	.0017	58	13,161	.0131
36	4,257	.0019	2	4,637	.0137
35	1,255	.0020	26	2,220	.0137
111	1,956	.0023	34	6,444	.0140
57	631,599	.0035	93	19,958	.0141
5	468	.0043	19	9,233	.0103
78	16,362	.0044	60	2	.0150
82	852	.0044	92	8,560	.0155
18	515,982	.0046	49	59	.0156
64	1,109	.0046	91	1,923	.0156
86	358	.0046	69	5,726	.0161
27	1,021	.0053	56	9,554	.0163
71	142,503	.0056	16	4,605	.0168
76	209	.0057	97	16,681	.0168
99	135,425	.0057	20	6,367	.0178
45	32,843	.0058	12	3,409	.0182
100	397,609	.0058	30	4,715	.0185
44	1,323	.0059	42	4,065	.0190
90	273,314	.0059	54	5,073	.0195
4	132,822	.0060	63	6,249	.0196
59	1,037	.0061	14	13	.0200
10	148,745	.0063	77	16,490	.0202
8	1,252	.0067	40	4,634	.0208
29	62,402	.0075	24	2,676	.0210
70	3,828	.0078	73	6,301	.0210
81	59,563	.0078	85	1,495	.0217

Sheep—Continued

Firm No.	No. of Head	Office Expenses	Firm No.	No. of Head	Office Expenses
28.....	3,493	.0079	68.....	273	.0227
11.....	6,931	.0090	13.....	1,441	.0231
51.....	34,211	.0090	37.....	2,521	.0234
33.....	11,959	.0091	104.....	1,291	.0237
66.....	105,764	.0091	23.....	2,525	.0282
80.....	14,021	.0096	94.....	944	.0293
50.....	939	.0097	74.....	89	.0317
72.....	45	.0100	43.....	1,818	.0326
21.....	29,199	.0102	1.....	372	.0328
55.....	12,827	.0103	61.....	2,082	.0355
6.....	9,431	.0106	38.....	6,749	.0386
22.....	7,922	.0106	39.....	145	.0387
96.....	7,676	.0110	46.....	827	.0670
62.....	26,891	.0112	17.....	90	.4304
			89.....	8	5.6375

[fol. 173] On the basis of the foregoing and of the general information contained in the record, it is found that the reasonable and normal costs to be covered into rates on account of office expenses are as follows:

$.0375 per head as to cattle and calves
.0150 per head as to hogs
.0055 per head as to sheep

Business-Getting and Maintaining Expenses

139. The activities of respondents in their efforts to obtain and hold business have hereinbefore been described. The amount which a firm can and will spend is in most cases determined to a large extent by what the existing schedule of rates permits. Respondents contend that the amount which they spend for business getting and maintenance is in each case a matter of business judgment for those who manage the firms and that such amount must be accepted as an item to be covered into rates. The right of respondents to choose the methods to be pursued by them in getting and holding business is herein recognized. Their opinions vary as to the efficacy of the different methods used. Two representatives of livestock producers organizations expressed the opinion that respondents were extravagant in their business-getting expenses. One of these representatives takes the position that respondents should not charge against their patrons amounts expended by them for business-getting and maintenance purposes other than such amount as is sufficient to enable them to keep

their names before the public. It was his opinion that much of the so-called appraisal service is unnecessary and is not required by the shippers. The other of these representatives was of the opinion that the rate payers should not pay through rates anything whatsoever to cover expenses of advertising and business getting.

140. Most of respondent commission firms emphasize the importance of soliciting in the country. This activity requires the time of salesmen and others authorized to solicit and involves the expenses incident to travel and entertainment. Usually those who solicit make their trips at the latter part of the week when business is light and during dull seasons on the market. Respondent commission firms often send their representatives to the country to sort and grade cattle and sheep preparatory to shipment to market. The competition for business is so keen that [fol. 174] many of respondents feel that they are required to perform this appraisal service in the country. This service is usually extended to those who have a sufficient volume of livestock to induce the commission firms to spend the time and incur the expense of a trip to the country, and is usually rendered to those who request it. On such trips an effort is made to contact other producers in the particular locality for the purpose of soliciting their business.

141. Respondents, through personal solicitation, market circulars, and other methods, make some effort to get business away from each other. Some of respondent commission firms contend that their chief business-getting effort is designed to offset direct buying by packers. They make the claim that they are trying to persuade producers to ship to the public market instead of selling to the packers in the country or through packers' concentration yards. Some are of the opinion that they have had a certain degree of success in this effort, but the extent to which such effort is justified is in doubt. Respondent commission firms also contend that they must combat the efforts of other livestock markets to get business. They expend some effort to persuade producers and shippers that they should ship to Chicago instead of some other livestock market. It is

claimed that they must offset unfavorable reports circulated by solicitors who go out from other stockyards and market agencies located thereat.

142. In considering the amount to be allowed as a reasonable unit cost for business getting and maintenance, the purpose and scope of such expenditures must be considered. Respondents are entitled to use such means and methods as will enable them to keep their names before the public. It is recognized that the reputation for rendering good service is one of the most important factors in holding and getting business but respondents do not deem that alone to be sufficient. Personal contact with their customers and prospective customers is regarded as an important element in the maintenance of the business. Respondent members of the Chicago Livestock Exchange have mutually imposed some limitations upon themselves as to the amount of time and the expense devoted to business-getting efforts. Each respondent holds its services out to be of the very highest character. Beyond the payment of a reasonable amount in the form of rates to enable the respondents to keep their names before the public, the shipper should not be required to pay to have himself persuaded to patronize one commission firm rather than an- [fol. 175] other, when each serves him equally well. There is not apparent any reason why the shippers who patronize a central market should be taxed to persuade other shippers that they should not sell their livestock direct to packers. If respondents choose to engage in such a campaign, that is a matter lying entirely within the realm of management, but it is not reasonable to finance such a campaign through rates charged to those who are already shipping to the central livestock markets. The rates under consideration here are for selling and/or buying livestock at the Chicago market, and the determination of the reasonableness of such rates should not be made on the basis of increased receipts which might come to the market if there were no sales made direct to packers in the country or on the basis of the cost of persuading producers that they should ship to the public market. Some of Chicago's livestock trade territory is competitive with other markets and within those competitive areas respondents are warranted in making such efforts to attract business as will keep their

market and their individual firm names favorably before the shippers.

143. It is recognized that the Union Stock Yards and Transit Company of Chicago, Illinois, maintains solicitors who are constantly engaged in persuading shippers to ship to the Union Stock Yards at Chicago. The stockyard company also engages in other activities designed to attract business. In addition the respondent commission firms, through their Exchange, broadcast the market news throughout Chicago's livestock trade territory and this activity is carried on jointly as a sort of advertising venture. The Exchange assesses the cost of this service against the individual firms and as an item of expense it has been included in administrative and general expenses. As hereinbefore described, the dissemination of market news is made in great detail each day by a branch of the Department of Agriculture. Practically all respondent commission firms issue their individual market letters containing information, some of which is a duplication of that which is disseminated by the Government agency and by the Exchange. A further duplication is found in much information which is disseminated through the local livestock market paper for which most of respondent commission firms subscribe for their customers to a greater or less extent.

144. In determining the expenses actually incurred by [fol. 176] each of respondent commission firms for the purposes of getting and maintaining business, all travel expenses have been included. To a certain extent such expenses include travel in connection with the inspection of livestock for loans and the making of such loans. In making allowance for a reasonable unit cost for salesmanship, consideration has been given to the fact that it is the custom of salesmen to spend some of their time in the country. The performance found to be reasonable for salesmanship is based upon the consideration that a reasonable amount of time will be spent in the country making contacts with customers and prospective customers. Respondent commission firms have no regularly employed solicitors; therefore, in ascertaining the unit costs of business getting and maintenance as actually incurred, no allowance has been made for the salaries to cover that part of the time of those who do soliciting. This has been included in

the allowance made for the employment of competent salesmen and in that made for those who perform services other than salesmanship. The non-salary expenses for business getting and maintenance incurred by respondent commission firms amounted to approximately 11 percent of the total commissions received in 1932 less those received from the sale of livestock for traders. The following tables show the unit cost per head of non-salary expenses for each species for business getting and maintenance:

[fol. 177]

Cattle & Calves

Firm No.	No. of Head	Business Getting and Maintaining Expenses	Firm No.	No. of Head	Business Getting and Maintaining Expenses
86	2,330	$.0028	83	32,162	$.0640
103	24	.0033	62	21,349	.0661
47	1,271	.0037	22	19,987	.0673
9	3,466	.0132	24	48,754	.0683
7	177	.0146	54	32,657	.0700
82	5,988	.0163	2	15,625	.0715
94	10,146	.0191	44	1,069	.0718
35	4,533	.0199	51	158,140	.0725
59	18,933	.0226	95	3,094	.0734
64	6,888	.0232	42	14,365	.0736
79	15,231	.0281	99	51,593	.0740
30	47,364	.0282	80	36,342	.0748
28	13,785	.0289	58	48,511	.0756
39	1,449	.0299	37	19,767	.0787
27	6,286	.0307	104	18,357	.0830
77	74,220	.0342	69	20,655	.0837
5	2,007	.0353	111	3,433	.0839
33	60,917	.0356	96	27,143	.0845
21	47,508	.0379	17	412	.0845
56	62,105	.0384	93	23,089	.0879
40	27,389	.0390	85	13,132	.0883
74	4,862	.0403	38	34,477	.0906
19	32,630	.0405	61	19,481	.0909
97	39,647	.0424	26	26,031	.0913
73	25,474	.0454	50	7,683	.0926
34	32,711	.0456	18	149,778	.0932
8	14,096	.0465	10	59,159	.0950
55	26,343	.0482	4	148,819	.0985
29	14,426	.0499	87	9,396	.1026
45	87,528	.0511	81	49,487	.1033
63	36,768	.0512	23	42,362	.1040
20	47,832	.0530	68	2,694	.1079
66	141,218	.0539	65	1,342	.1143
70	51,037	.0551	46	3,130	.1149
11	63,219	.0555	71	66,384	.1158
78	13,542	.0558	100	163,862	.1337
16	28,931	.0567	36	11,002	.1472
92	34,140	.0567	6	29,701	.1492
88	581	.0583	67	5,524	.1526
48	59,659	.0617	91	1,515	.1530
43	39,217	.0620	13	3,608	.1575
75	38,604	.0628	12	7,814	.2093

[fol. 178]

Hogs

Firm No.	No. of Head	Business Getting and Maintaining Expenses	Firm No.	No. of Head	Business Getting and Maintaining Expenses
47	13,693	$.0004	18	116,479	$.0233
103	65	.0006	75	16,036	.0239
86	10,591	.0010	80	12,884	.0239
52	78,040	.0026	83	49,372	.0239
7	402	.0048	30	24,616	.0241
9	17,359	.0054	24	53,757	.0244
35	25,879	.0077	70	45,980	.0244
64	14,820	.0084	2	51,946	.0249
28	31,688	.0086	44	16,616	.0249
94	7,157	.0089	54	63,713	.0251
39	18,252	.0094	104	14,756	.0255
27	21,610	.0094	96	44,653	.0262
5	1,491	.0099	17	2,699	.0267
77	74,638	.0109	93	85,572	.0271
59	8,395	.0114	48	153,661	.0275
21	100,545	.0123	61	38,784	.0285
34	116,999	.0126	51	88,192	.0286
97	95,077	.0129	42	74,736	.0288
33	74,722	.0132	38	48,126	.0293
56	19,909	.0138	111	2,898	.0295
79	5,118	.0141	85	43,221	.0297
19	93,622	.0146	58	64,913	.0300
73	48,534	.0148	69	51,034	.0301
45	117,651	.0155	87	30,059	.0302
92	56,246	.0160	19	66,307	.0303
55	57,814	.0163	23	77,905	.0309
8	10,288	.0166	81	44,727	.0335
40	50,850	.0168	4	104,236	.0338
66	129,004	.0172	65	8,751	.0341
88	1,266	.0173	50	14,098	.0344
20	93,825	.0174	37	65,748	.0359
11	105,011	.0178	68	10,812	.0370
16	51,783	.0188	46	2,806	.0371
43	47,412	.0191	26	40,243	.0385
29	49,458	.0193	67	3,742	.0417
78	55,012	.0195	71	71,538	.0417
22	118,620	.0200	49	7,584	.0434
63	80,027	.0202	6	76,895	.0456
99	249,755	.0208	13	11,296	.0472
62	53,334	.0217	100	508,264	.0498
74	6,234	.0220	91	23,168	.0673
95	2,167	.0228	36	4,724	.0676
			12	8,434	.0677

[fol. 179]

Sheep

Firm No.	No. of Head	Business Getting and Maintaining Expenses	Firm No.	No. of Head	Business Getting and Maintaining Expenses
103	67,201	$1.0001	16	4,605	$.0115
86	358	.0006	10	148,745	.0117
7	119	.0024	11	6,931	.0118
9	1,149	.0042	6	9,431	.0118
35	1,255	.0047	96	7,676	.0120
5	468	.0050	75	2,930	.0126
62	26,891	.0052	43	1,818	.0129
82	852	.0053	81	59,563	.0130
79	970	.0057	2	4,637	.0133

Sheep—Continued

Firm No.	No. of Head	Business Getting and Maintaining Expenses	Firm No.	No. of Head	Business Getting and Maintaining Expenses
94	944	.0058	63	6,249	.0143
56	9,554	.0059	70	3,828	.0145
59	1,037	.0061	88	51	.0145
21	29,199	.0066	4	132,822	.0148
33	11,959	.0067	74	89	.0150
64	1,109	.0068	69	5,726	.0158
77	16,490	.0071	93	19,958	.0158
28	3,493	.0073	58	13,161	.0163
38	6,749	.0074	104	1,291	.0163
87	2,295	.0074	51	34,211	.0165
27	1,021	.0075	71	142,503	.0165
66	105,764	.0075	30	4,715	.0181
45	32,843	.0077	65	587	.0181
55	12,827	.0077	44	1,323	.0186
83	19,063	.0077	100	397,609	.0190
29	62,402	.0079	46	827	.0191
97	16,681	.0079	54	5,073	.0196
34	6,444	.0093	61	2,082	.0196
78	16,362	.0094	24	2,676	.0210
92	8,560	.0094	48	12,275	.0212
20	6,367	.0095	17	90	.0217
73	6,301	.0098	42	4,065	.0227
19	9,233	.0098	13	1,441	.0228
8	1,252	.0100	26	2,220	.0250
39	145	.0104	85	1,495	.0265
111	1,956	.0104	23	2,525	.0272
57	631,599	.0104	50	939	.0273
80	14,021	.0108	68	273	.0281
99	135,425	.0109	37	2,521	.0284
22	7,922	.0110	12	3,409	.0305
40	4,634	.0110	36	4,257	.0316
90	273,314	.0113	91	1,923	.0327
18	515,982	.0115	49	59	.0679

[fol. 180] 145. The non-salary expenditures on account of business getting and maintenance varied from less than one per cent of the gross commissions for one firm to approximately 28 per cent for another firm. One of the largest firms on the market, which draws its livestock from a wide territory, spent 7.35 per cent of its income for business getting and maintenance, not including any portion of the salaries of those members and employees of the firm who spend time in soliciting. In considering this question it is recognized that the Chicago livestock market is regarded as the basic livestock market of the country and is to some extent the market of last resort for that livestock which is not disposed of on other markets. Under these circumstances, considerable livestock is shipped to the Chicago market both from producers and other markets. It requires little or no effort on the part of respondents to attract such business to the Chicago market. In view of the entire

record in this proceeding it is found that a reasonable unit cost for business-getting and maintenance purposes to be covered into rates should not exceed nine per cent of the total reasonable cost hereinafter found.

Administrative and General Expenses

146. The per head cost in 1932 on account of administrative and general expenses, namely, telephone and telegraph, directors' fees, legal and auditing, taxes, meals, clearing house, Exchange assessments and dues, general and miscellaneous, allocated to each of the species, is as follows:

[fol. 181]

Cattle and Calves

Firm No.	No. of Head	Administrative & Gen'l Expense	Firm No.	No. of Head	Administrative & Gen'l Expense
47	1,271	$.0002	34	32,711	$.0152
19	32,630	.0003	78	13,542	.0155
52	4,224	.0003	96	27,143	.0157
9	3,466	.0005	42	14,365	.0161
59	18,933	.0006	11	63,219	.0162
68	2,694	.0006	58	48,511	.0163
84	2,066	.0008	62	21,349	.0163
101	2,748	.0011	43	39,217	.0171
8	14,096	.0013	38	34,477	.0178
50	7,683	.0013	55	26,343	.0178
95	3,094	.0013	71	66,384	.0181
49	10	.0020	54	32,657	.0182
36	11,002	.0026	61	19,481	.0184
82	5,988	.0027	73	25,474	.0185
27	6,286	.0032	24	48,754	.0195
64	6,888	.0033	33	60,917	.0196
87	9,396	.0033	56	62,105	.0196
1	1,095	.0034	26	26,031	.0200
44	1,069	.0037	63	36,768	.0201
76	658	.0057	18	149,778	.0202
67	5,524	.0059	23	42,362	.0208
79	15,231	.0067	80	36,342	.0211
65	1,342	.0071	92	34,140	.0212
103	24	.0075	83	32,162	.0213
86	2,330	.0099	6	29,701	.0219
45	87,528	.0104	40	27,389	.0220
35	4,533	.0107	81	49,487	.0222
70	51,037	.0109	85	13,132	.0259
51	158,140	.0110	74	4,862	.0260
5	2,007	.0118	10	59,159	.0262
29	14,426	.0120	69	20,655	.0270
75	38,604	.0120	46	3,130	.0280
48	59,659	.0124	100	163,862	.0282
97	39,467	.0127	66	141,218	.0300
22	19,987	.0129	12	7,814	.0301
39	1,449	.0129	93	23,089	.0310
104	18,357	.0129	16	28,931	.0317
20	47,832	.0132	77	74,220	.0336
94	10,146	.0134	37	19,767	.0383
28	13,785	.0144	99	51,593	.0523
4	148,819	.0148	91	1,515	.0623
30	47,364	.0148	13	3,608	.0656
2	15,626	.0149	17	412	.0957
21	47,508	.0152	89	495	.2934

[fol. 182]

Hogs

Firm No.	No. of Head	Administrative & Gen'l Expense	Firm No.	No. of Head	Administrative & Gen'l Expense
9	17,359	$.0001	43	47,412	$.0056
19	93,622	.0001	62	53,334	.0056
49	7,584	.0001	23	77,905	.0057
52	1,819	.0001	55	57,814	.0057
68	10,812	.0002	85	43,221	.0059
84	17,200	.0002	75	16,036	.0061
59	8,395	.0003	26	20,243	.0062
50	14,098	.0004	58	64,913	.0062
8	10,288	.0005	96	44,653	.0063
95	2,167	.0005	61	38,784	.0065
82	78,040	.0006	24	53,757	.0067
1	3,805	.0007	6	76,895	.0069
44	16,616	.0009	40	50,850	.0069
87	30,059	.0009	30	24,616	.0071
101	728	.0009	73	48,534	.0072
27	21,610	.0010	63	80,027	.0073
64	14,820	.0010	11	105,011	.0074
36	4,724	.0011	93	85,572	.0076
76	7,306	.0011	38	48,126	.0078
103	65	.0014	4	104,236	.0080
67	3,742	.0016	69	51,034	.0080
65	8,751	.0017	104	14,756	.0080
35	25,879	.0020	16	51,783	.0082
39	18,252	.0022	33	74,722	.0083
86	10,591	.0025	37	65,748	.0083
79	5,118	.0027	71	71,538	.0085
34	116,999	.0028	92	56,246	.0085
42	74,736	.0031	83	49,372	.0086
45	117,651	.0034	100	508,264	.0086
70	45,980	.0036	74	6,234	.0089
97	95,077	.0036	10	66,307	.0097
22	118,620	.0037	18	116,479	.0098
28	31,688	.0038	99	249,755	.0102
78	55,012	.0038	46	2,806	.0105
48	153,661	.0041	91	23,168	.0110
5	1,491	.0043	12	8,434	.0119
51	83,192	.0045	81	44,727	.0125
2	51,946	.0047	80	12,884	.0131
29	49,458	.0047	13	11,296	.0142
21	100,545	.0048	56	57,814	.0146
20	93,825	.0049	77	74,638	.0154
54	63,713	.0053	17	2,699	.0360
94	7,157	.0054	89	253	.0569

[fol. 183]

Sheep

Firm No.	No. of Head	Administrative & Gen'l Expense	Firm No.	No. of Head	Administrative & Gen'l Expense
9	1,149	$.0001	96	7,676	$.0040
19	9,233	.0001	74	89	.0041
59	1,037	.0002	69	5,726	.0043
68	273	.0002	99	135,425	.0043
84	348	.0002	2	4,637	.0045
36	4,257	.0003	48	12,275	.0046
8	1,252	.0006	75	2,930	.0046
103	67,201	.0007	94	944	.0046
29	62,402	.0010	33	11,959	.0049
44	1,323	.0010	28	3,493	.0051
79	970	.0010	80	14,021	.0051

Sheep—Continued

Firm No.	No. of Head	Administrative & Gen'l Expense	Firm No.	No. of Head	Administrative & Gen'l Expense
82	852	.0010	20	6,367	.0055
64	1,109	.0012	93	19,958	.0057
1	372	.0013	104	1,291	.0059
87	2,295	.0014	92	8,560	.0060
45	32,843	.0016	16	4,605	.0063
27	1,021	.0017	73	6,301	.0063
65	587	.0017	12	3,409	.0064
78	16,362	.0017	26	2,220	.0064
71	142,503	.0021	54	5,073	.0064
35	1,255	.0022	91	1,923	.0067
81	59,563	.0022	46	827	.0069
76	209	.0023	40	4,634	.0072
18	515,982	.0024	66	105,764	.0072
100	397,609	.0024	30	4,715	.0075
10	148,745	.0025	57	631,599	.0078
86	358	.0025	61	2,082	.0081
62	26,891	.0027	13	1,441	.0082
22	7,922	.0028	50	939	.0082
51	34,211	.0030	56	9,554	.0083
97	16,681	.0030	43	1,818	.0084
4	132,822	.0032	11	6,931	.0086
55	12,827	.0033	63	6,249	.0090
83	19,063	.0033	39	145	.0091
5	468	.0034	37	2,521	.0100
6	9,431	.0034	38	6,749	.0102
21	29,199	.0034	85	1,495	.0102
34	6,444	.0037	24	2,676	.0110
58	13,161	.0037	23	2,525	.0118
90	273,314	.0038	77	16,490	.0126
42	4,065	.0040	17	96	.0749
70	3,828	.0040	89	8	.9625

[fol. 184] On the basis of the foregoing and of the general information contained in the record, it is found that the reasonable and normal costs to be covered into rates on account of administrative and general expenses are as follows:

$.0150 per head as to cattle and calves
.0055 per head as to hogs
.0030 per head as to sheep

Insurance

147. The risks incurred by respondents in the conduct of the commission business have been discussed hereinbefore. Some of these risks are insurable; other- are not. Those expenses for which premiums are paid to carry the insurable risks are costs properly coverable into a reasonable schedule of commission rates. Government accountant's cost study provided a sufficient amount to cover the

premium on all insurable items even though in many instances respondents were carrying the risk themselves. The allowance hereinafter made covers insurance against loss by fire of furniture and fixtures, workmen's compensation, losses on account of selling stolen and mortgaged livestock, the expenses incurred in payment of bond premium, and the expenditures actually incurred by respondents for bank and forgery insurance. The last two items are included in the amount actually paid. The allowance to cover the furniture and fixture insurance, workmen's compensation, and loss on account of selling stolen and mortgaged livestock was adjusted by the Government accountant on the basis of rates submitted by a national insurance company. This adjustment resulted in an increase of approximately $17,000 over the expenses actually incurred on account of these items. The total allowance so determined has been allocated to species on the basis of head times value. The following tables set forth by firms the per head costs covering insurable risks calculated on the basis stated above:

[fol. 185] Cattle & Calves

Firm No.	No. of Head	Insurance	Firm No.	No. of Head	Insurance
72	4,442	$.0011	11	63,219	$.0083
31	1,033	.0014	18	149,778	.0084
103	24	.0020	98	519	.0084
82	5,988	.0026	42	14,365	.0085
49	10	.0040	43	39,217	.0085
79	15,231	.0044	70	51,037	.0086
39	1,449	.0045	80	36,342	.0089
14	121	.0046	51	158,140	.0091
36	11,002	.0046	30	47,364	.0094
50	7,683	.0047	4	148,819	.0095
1	1,095	.0047	78	13,542	.0095
64	6,888	.0049	24	48,754	.0097
8	14,096	.0049	56	62,105	.0098
44	1,069	.0049	40	27,389	.0099
55	26,343	.0052	81	49,487	.0099
76	658	.0052	6	29,701	.0101
86	2,330	.0053	97	39,467	.0101
67	5,524	.0053	85	13,132	.0103
52	4,224	.0053	21	47,508	.0104
101	2,768	.0054	104	18,357	.0104
37	19,767	.0054	63	36,768	.0106
27	6,286	.0055	10	59,159	.0107
26	26,031	.0057	94	10,146	.0108
32	1,792	.0057	45	87,528	.0109
9	3,466	.0058	20	47,832	.0113
59	18,933	.0060	49	10	.0113
84	2,066	.0061	60	20,655	.0119
48	59,659	.0062	90	15	.0120
5	2,007	.0062	83	32,162	.0122
111	3,433	.0063	54	32,657	.0123

Cattle and Calves—Continued

Firm No.	No. of Head	Interest	Firm No.	No. of Head	Interest
75	38,604	.0064	92	34,140	.0125
65	1,342	.0066	23	42,362	.0126
15	855	.0066	2	15,626	.0128
95	3,094	.0066	58	48,511	.0129
102	565	.0066	71	66,384	.0131
60	1,344	.0070	73	25,474	.0131
3	4,198	.0070	29	14,426	.0133
34	32,711	.0072	55	26,343	.0135
68	2,694	.0073	13	3,608	.0145
88	581	.0073	77	74,220	.0147
28	13,785	.0073	100	163,862	.0149
96	27,143	.0073	16	28,931	.0162
7	177	.0074	38	34,477	.0172
12	7,814	.0074	99	51,593	.0175
87	9,396	.0075	61	19,481	.0178
41	287	.0078	62	21,349	.0196
19	32,630	.0079	91	1,515	.0219
66	141,218	.0080	46	3,130	.0268
33	60,917	.0080	74	4,862	.0355
93	23,089	.0082	17	412	.2326
22	19,987	.0082	89	495	.4447

[fol. 186]

Hogs

Firm No.	No. of Head	Insurance	Firm No.	No. of Head	Insurance
72	963	$.0003	18	116,479	$.0025
103	65	.0006	42	74,736	.0025
82	78,040	.0008	43	47,412	.0025
49	7,584	.0011	98	505	.0025
14	14,152	.0013	70	45,980	.0026
39	18,252	.0013	80	12,884	.0027
79	5,118	.0013	51	86,493	.0027
1	3,805	.0014	4	104,236	.0028
8	10,288	.0114	30	24,616	.0028
36	4,724	.0014	24	53,757	.0029
44	16,616	.0014	40	50,850	.0029
50	14,098	.0014	56	19,909	.0029
35	25,879	.0015	78	55,012	.0029
64	14,820	.0015	6	76,895	.0030
76	73,076	.0015	81	44,727	.0030
27	21,610	.0016	97	95,077	.0030
37	65,748	.0016	85	43,221	.0031
52	1,819	.0016	21	100,545	.0021
67	3,742	.0016	104	14,756	.0031
86	10,591	.0016	63	80,027	.0032
101	726	.0016	94	7,157	.0032
9	17,359	.0017	10	66,307	.0032
26	40,243	.0017	45	117,651	.0032
32	1,809	.0017	20	93,825	.0034
5	1,491	.0018	47	13,693	.0034
48	153,661	.0018	69	51,034	.0036
59	8,395	.0018	83	49,372	.0036
84	17,200	.0018	54	63,713	.0037
15	13,784	.0019	23	77,905	.0037
75	16,036	.0019	92	56,246	.0038
95	2,167	.0019	2	51,946	.0038
111	2,898	.0019	58	64,913	.0039
65	8,751	.0020	71	71,538	.0039
102	9,299	.0020	73	48,534	.0039

Hogs—Continued

Firm No.	No. of Head	Insurance	Firm No.	No. of Head	Insurance
60	1,499	.0021	29	49,458	.0039
3	7,185	.0021	55	57,814	.0041
28	31,688	.0021	13	11,296	.0043
34	116,999	.0021	77	74,638	.0044
68	10,812	.0022	100	508,264	.0044
88	1,266	.0022	16	51,783	.0048
7	402	.0022	38	48,126	.0051
12	8,434	.0022	99	249,755	.0052
96	44,653	.0022	61	38,784	.0053
87	30,059	.0023	62	53,334	.0059
19	93,622	.0023	91	23,168	.0066
41	905	.0023	46	2,806	.0080
66	129,004	.0024	74	6,234	.0106
11	105,011	.0024	17	2,699	.0698
22	118,620	.0024	89	253	.1335
33	74,722	.0024			
93	85,572	.0025			

[fol. 187]

Sheep

Firm No.	No. of Head	Insurance	Firm No.	No. of Head	Insurance
72	45	$.0002	51	34,211	$.0013
103	67,201	.0002	80	14,021	.0013
82	852	.0003	4	132,822	.0014
49	59	.0005	24	2,676	.0014
39	145	.0006	30	4,715	.0014
79	970	.0006	40	4,634	.0014
1	372	.0007	56	9,554	.0014
8	1,252	.0007	78	16,362	.0014
14	13	.0007	81	59,563	.0014
35	1,255	.0007	6	9,431	.0015
36	4,257	.0007	21	29,199	.0015
44	1,323	.0007	63	6,249	.0015
50	939	.0007	85	1,495	.0015
52	151	.0007	97	16,681	.0015
64	1,109	.0007	104	1,291	.0015
76	209	.0007	10	148,745	.0016
86	358	.0007	20	6,367	.0016
9	1,149	.0008	45	32,843	.0116
26	2,220	.0008	90	273,314	.0016
27	1,021	.0008	94	944	.0016
32	860	.0008	69	5,726	.0017
37	2,521	.0008	23	2,525	.0018
5	468	.0009	54	5,073	.0018
48	12,275	.0009	83	19,063	.0018
59	1,037	.0009	92	8,560	.0018
75	2,930	.0009	2	4,637	.0019
84	348	.0009	29	62,402	.0019
102	252	.0009	58	13,161	.0019
111	1,956	.0009	71	142,503	.0019
3	321	.0010	55	12,827	.0020
7	119	.0010	13	1,441	.0021
15	369	.0010	77	16,490	.0022
28	3,493	.0010	100	397,609	.0022
34	6,444	.0010	16	4,605	.0024
65	587	.0010	38	6,749	.0025
68	273	.0010	61	2,082	.0026
12	3,409	.0011	99	135,425	.0026
19	9,233	.0011	62	26,891	.0029
87	2,295	.0011	91	1,923	.0032

Sheep—Continued

Firm No.	No. of Head	Office Expenses	Firm No.	No. of Head	Office Expenses
88.....	51	.0011	46.....	827	.0040
96.....	7,676	.0011	74.....	89	.0053
11.....	6,931	.0012	73.....	6,301	.0322
18.....	515,982	.0012	17.....	90	.0351
22.....	7,922	.0012	89.....	8	.0662
33.....	11,959	.0012			
42.....	4,065	.0012			
43.....	1,818	.0012			
66.....	105,764	.0012			
70.....	3,828	.0012			
93.....	19,958	.0012			

[fol. 188] On the basis of the foregoing and of the general information contained in the record, it is found that the reasonable and normal allowance to be covered into rates on account of the insurable risks are as follows:

$.0085 per head as to cattle and calves
.0025 per head as to hogs
.0015 per head as to sheep

Interest on Capital

148. The livestock commission business is largely a personal service which needs a relatively small amount of capital. Some capital, however, is necessary and a reasonable return on this is a proper item of cost to be covered into reasonable rates. Both the accountant for the Government and the accountant for the respondents set up capital requirements for the same items, namely:

(1) Sound value of furniture and fixtures, horses, yard supplies and automobiles.
(2) Membership in the Live Stock Exchange.
(3) Working capital to finance operations.
(4) Material and supplies inventory.

The only difference between the accountants was in valuing the Exchange memberships. The account for the Government used present value and the account for the respondents used the average sale value for 5 years.

149. The accountant for the Government used a rate of 7 per cent on the composite amount of these items. The accountant for the respondents used a rate of 8 per cent. Testimony of various witnesses was to the effect that the prevailing rate of interest on cattle paper was 6 per cent, although in the immediate past it had been 7 per cent. An economist called by the Government testified that, in his

opinion, a return of 6 per cent on the fixed capital and 7 per cent on the working capital would be fair and reasonable.

150. The activities of the Chicago Livestock Exchange and the Chicago Traders Livestock Exchange have already been described. The evidence shows that livestock shippers receive no services from the Traders Exchange and that they pay for those rendered by the Livestock Exchange through special charges assessed by it. It is found that memberships in the exchanges are not a part of respondents' capital necessary in rendering the services for [fol. 189] which rates are herein being determined, and that no allowance on account of interest on their value should be included in the costs coverable into rates.

151. The audits of the books of the various respondents show that in some cases the cash and bank balances are in excess of the requirements in the commission business. The excess cash is used in some instances for making loans to producers and feeders of livestock. In other instances, loans occur as assets on the balance sheets of the respondents. The loan business, although conducted in conjunction with the commission business, is not a part of the service of selling and buying livestock on a commission basis. The income derived from it is dependent upon the interest rate charged, and this is a matter of contract between the lender and the borrower. Inasmuch as the funds used in connection with the loan business produce an income in the form of interest collected from the borrower, it is found that the amount of the loans should not be included in the capital deemed necessary in the conduct of the commission business.

152. Securities, real estate, and the like are included among the assets shown on the books of some of the respondents, who contend that these investments are necessary in establishing a satisfactory financial showing in order to obtain bonds required under the provisions of the Packers and Stockyards Act. Even though such assets are a material factor in obtaining the necessary bonds, they have potential income-producing capacity and are not a part of the capital used in the commission business as such. The income and expenses incident to the ownership of such assets are separate from the income realized and expenses incurred by respondents in the rendition of serv-

ices, for which rates are here being determined. It is found that the interest on the investment in these assets should not be included as a part of the cost to be covered into rates.

153. In arriving at a reasonable and normal allowance for capital, consideration has been given to both fixed and working capital. Interest at 6 per cent on fixed capital, except the value of memberships, as agreed upon by accountants, and at 7 per cent on working capital, as agreed upon by them, has been computed for each of the respondent commission firms. The total interest so computed for each firm on fixed and working capital has been allocated to species on the basis of head times value. The sum of the interest expressed in cents per head has been set up as to each firm in the following table:

[fol. 190] Cattle and Calves

Firm No.	No. of Head	Interest	Firm No.	No. of Head	Interest
47	1,271	$.0030	8	14,096	$.0080
49	10	.0030	13	3,608	.0080
72	4,442	.0030	20	47,832	.0080
82	5,988	.0030	21	47,508	.0080
103	24	.0030	26	26,031	.0080
28	13,785	.0040	33	60,917	.0080
59	18,933	.0040	34	32,711	.0080
64	6,888	.0040	43	39,217	.0080
18	149,778	.0050	54	32,657	.0080
27	6,286	.0050	61	19,481	.0080
35	4,533	.0050	62	21,349	.0080
44	1,069	.0050	71	66,384	.0080
48	59,659	.0050	77	74,220	.0080
52	4,224	.0050	85	13,132	.0080
65	1,342	.0050	99	51,593	.0080
67	5,524	.0050	100	163,862	.0080
78	13,542	.0050	29	14,426	.0090
84	2,066	.0050	37	19,767	.0090
86	2,330	.0050	40	27,389	.0090
87	9,396	.0050	55	26,343	.0090
90	15	.0050	58	48,511	.0090
101	2,768	.0050	69	20,655	.0090
111	3,433	.0050	73	25,474	.0090
4	148,819	.0060	93	23,089	.0090
11	63,219	.0060	1	1,095	.0100
14	121	.0060	9	3,466	.0100
15	855	.0060	10	59,159	.0100
24	48,754	.0060	16	28,931	.0100
30	47,364	.0060	36	11,002	.0100
32	1,792	.0060	38	34,477	.0100
39	1,449	.0060	60	1,344	.0100
45	87,528	.0060	75	38,604	.0100
51	158,140	.0060	83	32,162	.0100
63	36,768	.0060	89	495	.0100
70	51,037	.0060	6	29,701	.0110
76	658	.0060	50	7,683	.0110
79	15,231	.0060	80	36,342	.0110
102	565	.0060	41	287	.0120

Cattle and Calves—Continued

Firm No.	No. of Head	Office Salaries	Firm No.	No. of Head	Office Salaries
2.....	15,626	.0070	81.....	49,487	.0120
5.....	2,007	.0070	95.....	3,094	.0120
19.....	32,630	.0070	98.....	519	.0120
22.....	19,987	.0070	94.....	10,146	.0130
23.....	42,362	.0070	104.....	18,357	.0130
31.....	1,033	.0070	12.....	7,814	.0140
42.....	14,365	.0070	46.....	3,130	.0170
56.....	62,105	.0070	3.....	4,198	.0180
66.....	141,218	.0070	68.....	2,694	.0190
88.....	581	.0070	91.....	1,515	.0200
92.....	34,140	.0070	7.....	177	.0220
96.....	27,143	.0070	74.....	4,862	.0230
97.....	39,467	.0070	17.....	412	.0610

[fol. 191]

Hogs

Firm No.	No. of Head	Interest	Firm No.	No. of Head	Interest
47.....	13,693	$.0008	77.....	74,638	$.0023
72.....	963	.0008	85.....	43,221	.0023
49.....	7,584	.0009	99.....	249,755	.0023
82.....	78,040	.0009	100.....	508,264	.0023
28.....	31,688	.0011	13.....	11,296	.0023
103.....	65	.0011	21.....	100,545	.0023
59.....	8,395	.0013	34.....	116,999	.0023
64.....	14,820	.0013	43.....	47,412	.0023
87.....	30,059	.0013	71.....	71,538	.0024
52.....	1,819	.0014	8.....	10,288	.0024
78.....	55,012	.0014	20.....	93,825	.0024
101.....	726	.0014	61.....	38,784	.0025
111.....	2,898	.0014	62.....	53,334	.0025
44.....	16,616	.0014	26.....	40,243	.0025
48.....	153,661	.0015	33.....	74,722	.0025
84.....	17,200	.0015	55.....	57,814	.0026
86.....	10,591	.0015	69.....	51,034	.0026
18.....	116,479	.0015	73.....	48,534	.0026
27.....	21,610	.0015	58.....	64,913	.0028
35.....	25,879	.0015	60.....	1,499	.0028
65.....	8,751	.0016	93.....	85,572	.0028
67.....	3,742	.0016	37.....	65,748	.0028
45.....	117,651	.0016	40.....	50,850	.0028
70.....	45,980	.0017	10.....	66,307	.0029
76.....	7,306	.0017	29.....	49,458	.0029
15.....	13,784	.0017	75.....	16,036	.0030
39.....	18,252	.0017	83.....	49,372	.0030
79.....	5,118	.0018	1.....	3,805	.0030
4.....	104,236	.0018	16.....	51,783	.0030
11.....	105,011	.0018	36.....	4,724	.0030
51.....	86,493	.0019	38.....	48,126	.0030
63.....	80,027	.0019	6.....	76,895	.0031
66.....	129,004	.0019	9.....	17,359	.0031
102.....	9,299	.0019	50.....	14,098	.0032
14.....	14,152	.0019	80.....	12,884	.0032
30.....	24,616	.0019	98.....	505	.0036
32.....	1,809	.0019	81.....	44,727	.0037
97.....	95,077	.0020	95.....	2,167	.0037
2.....	51,946	.0020	94.....	7,157	.0038
23.....	77,905	.0020	41.....	905	.0038
24.....	53,757	.0020	104.....	14,756	.0039
92.....	56,246	.0021	12.....	8,434	.0042
96.....	44,653	.0021	46.....	2,806	.0052

Hogs—Continued

Firm No.	No. of head	Yarding Expenses	Firm No.	No. of Head	Yarding Expenses
5	1,491	.0021	3	7,185	.0055
19	93,622	.0021	68	10,812	.0056
22	118,620	.0021	91	23,168	.0061
56	19,909	.0022	7	402	.0066
88	1,266	.0022	74	6,234	.0069
42	74,736	.0022	17	2,699	.0185
54	63,713	.0023	89	253	.0298

[fol. 192]

Sheep

Firm No.	No. of Head	Interest	Firm No.	No. of Head	Interest
72	45	$.0004	56	9,554	$.0011
49	59	.0005	77	16,490	.0011
82	852	.0005	85	1,495	.0011
103	67,201	.0005	92	8,560	.0011
28	3,493	.0006	99	135,425	.0011
27	1,021	.0007	100	397,609	.0011
35	1,255	.0007	13	1,441	.0012
44	1,323	.0007	20	6,367	.0012
48	12,275	.0007	26	2,220	.0012
52	151	.0007	34	6,444	.0012
59	1,037	.0007	43	1,818	.0012
64	1,109	.0007	54	5,073	.0012
78	16,362	.0007	61	2,082	.0012
87	2,295	.0007	62	26,891	.0012
90	273,314	.0007	71	142,503	.0012
111	1,956	.0007	14	13	.0013
15	369	.0008	33	11,959	.0013
18	515,982	.0008	55	12,827	.0013
45	32,843	.0008	69	5,726	.0013
65	587	.0008	73	6,301	.0013
84	348	.0008	29	62,402	.0014
86	358	.0008	37	2,521	.0014
2	4,637	.0009	40	4,634	.0014
4	132,822	.0009	58	13,161	.0014
11	6,931	.0009	93	19,958	.0014
23	2,525	.0009	1	372	.0015
24	2,676	.0009	6	9,431	.0015
30	4,715	.0009	9	1,149	.0015
32	860	.0009	10	148,745	.0015
39	145	.0009	16	4,605	.0015
70	3,828	.0009	36	4,257	.0015
76	209	.0009	38	6,749	.0015
79	970	.0009	75	2,930	.0015
102	252	.0009	83	19,063	.0015
5	468	.0010	50	939	.0016
22	7,922	.0010	80	14,021	.0016
51	34,211	.0010	81	59,563	.0018
63	6,248	.0010	94	944	.0019
66	105,764	.0010	104	1,291	.0019
88	51	.0010	12	3,409	.0021
96	7,676	.0010	46	827	.0026
97	16,681	.0010	3	321	.0027
8	1,252	.0011	68	273	.0028
19	9,233	.0011	91	1,923	.0030
21	29,199	.0011	7	119	.0032
42	4,065	.0011	74	89	.0035
			17	90	.0090
			89	8	.0150

[fol. 193] It is found that the following are reasonable allowances per head on account of interest:

$.0080 per head as to cattle and calves
.0025 per head as to hogs
.0010 per head as to sheep

Profits

154. In addition to producing reasonable per-head costs incident to the handling of the different species of livestock, reasonable rates should provide also a profit, that is, compensation for management and the carrying of uninsurable risks. Respondents claim that allowances for the items of management and uninsurable risks are operating costs and that, in addition to them, some allowances should be made for "pure profits" as an inducement to the more efficient firms to continue in business.

155. Capital losses possible in the commission business are small due to its personal service character. The custom of the market is such that respondents at times extend limited amounts of credit to their customers. These extensions may result in loss on account of bad debts. The accounting processes in the office work are such that undercharges may occur in items carried into account sales. These losses are usually so small that the recouping of them from the particular patron to whose benefit they operate is not practicable. These losses vary from year to year and are suffered in different amounts by the various respondents in different years. The experience, therefore, of a hundred respondents in any year forms a reasonably accurate basis for measuring these losses. During 1932 the respondents altogether suffered a loss of approximately $13,000 on account of bad debts incurred in the commission business, errors, refunds, losses on account of refused purchases, estrays, and minor adjustments on account of freight, feed, and yardage. Based upon the foregoing and the information contained in the record, it is found that the reasonable per-head amount on account of uninsurable risks to be covered into a reasonable schedule of rates is as follows:

Cattle and Calves	$.0040
Hogs	.0015
Sheep	.0005

[fol. 194] 156. In the commission business it is necessary to select and coordinate competent personnel so that an efficient organization can be maintained. There are administrative and financial policies which must be determined from time to time. The responsibility for the performance of these duties and for the general supervision of the business is the function of management. Most of the respondent firms are managed by their resident owners. There are a few instances in which the owners devote their entire time to management. In most cases, however, the owners who manage perform other major functions such as the buying and selling of live stock. Three of the respondent firms employ managers. Frequently, both owner and employed managers devote a part of their time to activities such as making livestock loans and business getting and maintenance. Two of the respondent firms which employ managers are cooperative market agencies. The per car cost for management in the case of one of them was $.74 in 1931 and $.93 in 1932. For the other it was $.57 in 1931 and $.60 in 1932. These two cooperative agencies have a board of directors composed chiefly of a number of resident producers. They hold meetings periodically and consult with their resident managers. The other market agency which has an employed resident manager, is one of a number of branch houses, the home office of which is located in the downtown district of Chicago. The owners make trips from time to time to visit the branches located at the various markets including the one at the Chicago stockyards. The responsibility for the direction of the local affairs of the Chicago branch is reposed in the employed manager, whose salary has been classified as an office salary in the determination of unit costs for that item. The owners devote much of their attention to the livestock loan business which is conducted on a rather extensive scale. The owner of one of the respondent firms on the market stated that not over 20 per cent of the total income realized by him in 1932 should be taken for his managerial duties. He withdrew $28,222 from the business in that year. His firm handled approximately 6700 cars and carlot equivalents in that year. On that basis he received approxiately 85c per car for his managerial services. Based upon the foregoing and all the information contained in the record, it is found that the following are reasonable per head allowances for management to be covered into rates:

Cattle and calves	$.0350
Hogs	.0125
Sheep	.0050

[fol. 195] 157. It is desirable that the livestock of producers who patronize the Chicago market be handled by competent commission firms. A schedule of rates based upon the reasonable expenses and reasonable profits herein found would be adequate to accomplish this. The rates hereinafter prescribed include a substantial margin above reasonable costs and a reasonable profit. This margin is in the form of a spread between the reasonable unit costs and reasonable unit profits, and the revenues which would be produced by an application of the rates prescribed.

Summary of Reasonable Selling Costs Plus Reasonable Profits

158. A summary of the foregoing findings as to reasonable per head costs and reasonable profits for selling each species of livestock arriving at the Chicago market is as follows:

	Cattle and Calves	Hogs	Sheep
Salesmanship	$.1667	$.0414	$.0148
Yarding Salaries	.0725	.0280	.0085
Yarding Expenses	.0075	.0004	.0002
Office Salaries	.0750	.0250	.0090
Office Expenses	.0375	.0150	.0055
Business Getting and Maintaining	.0390	.0120	.0050
Administrative and General Expenses	.0150	.0055	.0030
Insurance	.0085	.0025	.0015
Interest	.0080	.0025	.0010
Total cost	.4297	.1323	.0485
Profit:			
To cover management	.0350	.0125	.0050
To cover uninsurable risks	.0040	.0015	.0005
Total reasonable cost and reasonable profit	.4687	.1463	.0540

The foregoing costs have been determined as of the year 1932. During that year there were increases in certain of the operating expenses of the respondents, such as a tax on checks, telegrams, and telephone messages and postage rates. In other expenses, such as salaries, there were decreases in some instances. There were further decreases made after 1932.

[fol. 196] Buying Costs

159. The buying operations of the respondent commission firms constitute a relatively small part of their business, as shown in paragraph 75 herein. For the reason that their volume of purchases on order is so small, these firms do not ordinarily maintain separate organizations or separate individuals to perform the buying service. It is performed for them by their regular yard and office force. Some or all of the salesmen of each firm may do the buying whenever such service is necessary. The regular yard and office force handles the details necessary for the shipment, billing, and accounting. The circumstances of operation are such that the expenses incurred by the respondent commission firms in their buying and selling of livestock are, to a large extent, incurred jointly. The relative amounts expended in performing a specific function may be more or less for selling than for buying. These conditions vary with different transactions. Generally the receiving, driving, and preparation of livestock for sale require work of a character not necessary to the operations of a buyer. However, the buyer may find it necessary to traverse the entire stockyard in search of livestock suitable for his order, and after such effort he may not be able to locate the class of livestock desired. He may be able to fill his order only by purchasing a few here and there about the stockyard. In the latter circumstance there may be considerable yard work involved in assembling the livestock and sorting it according to the orders. If it becomes necessary to hold livestock bought on order until a sufficient number can be obtained for filling the order, much time and responsibility may be involved in looking after the livestock so held. There is also a wide variation in the accounting work entailed in making different purchases. If an order can be filled by a single purchase the accounting work is relatively simple. However, it happens on some occasions that a number of

individual purchases are required to fill a given order, and under such circumstances the accounting work is materially increased.

160. As already pointed out, the selling of livestock on a commission basis requires a relatively small amount of capital; whereas, the buying operation requires a greater amount of capital. The expenditures for getting and maintaining business are greater in connection with the selling operations; whereas, the expenses for telephone and tele- [fol. 197] graph communications incident to the obtaining and execution of orders are generally much greater than similar expenses incurred in connection with selling livestock. The respondent commission firms perform these operations with the same organization and do not set up any segregations of expenses incurred as between selling and buying. In tables heretofore set up in connection with the unit costs of selling, the total volume of selling and buying has been considered in conjunction with the expenses of operation incurred in selling and buying.

161. The respondent order buyers are engaged only in purchasing livestock on order, except to the extent that some of them may buy and sell livestock on their own account on a speculative basis. A study of the operations of these order buyers and the respondent commission firms leads to the conclusion that the unit costs for buying livestock would not exceed those for selling it. It is found that the rates for buying livestock should not exceed those hereinafter prescribed for selling it.

Cost of Handling "Seconds"

162. In this proceeding much testimony was developed relative to the work involved in selling "seconds", that is, livestock bought by traders on the stockyard and placed with commission firms for sale. Traders sell much of their livestock themselves but from time to time they utilize the services of commission firms in making the sales. The volume of such business actually sold for traders by commission firms in 1932 was approximately 10 per cent of the sales volume of cattle and calves, 5 per cent in the case of hogs, and 2½ per cent in the case of sheep. The evidence in some respects is conflicting in regard to the difficulty in handling "seconds" as compared with the difficulty

in handling of shippers' livestock. Some commission firms regard the business of selling "seconds" as a "pick-up" business which entails no extra expenses. Others do not regard it as a desirable kind of business. Much emphasis in this record has been placed upon the accounting work involved, it being contended that the accounting to shippers involves much more work than the accounting to traders for the sale of "seconds." To the extent that they exist, these points of differences involve minor details in office procedure. Some of the differences in this respect will be removed by the type of tariff hereinafter prescribed inasmuch as its application can be made with the same facility [fol. 198] to consignments from the country as to "seconds." After careful weighing of all the testimony bearing upon the cost-occasioning factors in the handling of "seconds" as compared with livestock belonging to shippers and producers, it is found that the reasonable costs hereinbefore found are representative of the costs incurred in handling livestock belonging to traders.

XXIII—Tariff Structure

163. The tariffs now observed by the respondents are constructed upon the carlot as the unit of service with variations due to the differences in the number of head in the consignment. The evidence in this record indicates that the structure of the existing tariff is obsolete. Conditions under which livestock is marketed have changed materially since the time when the carlot was adopted as the basis for assessing rates and charges. There was a time when livestock was handled almost entirely in carlots or in consignments containing a number of carlots. There was little or no sorting for ownership, grades, and classes. At the present time there is in reality no standard size of unit in which livestock is sold. Each shipment is distinct and does not conform to any definite standard, either as to ownership, method of arrival, number of head, grade, or class. Shipments by truck and the growth of plural-ownership consignments have been the chief factors in changing the business from a carlot to nonstandard units. An additional reason for the change is the change in conditions under which livestock is produced and marketed. It is also true that there has been a growth in the tendency among packers to be more exacting in sort-

ing and grading, and this tendency has accentuated the growth in the variations in the size of the units in which livestock is sold.

164. One of the primary considerations in the formulation of a tariff structure is the element of simplicity. From the standpoint of the commission firm it is desirable that a tariff be easy to apply. Ease of application of a tariff facilitates the office work and renders errors less frequent. The shipper should be able to determine from the tariff, at least approximately, what the commission charges will be on a consignment of livestock, and he should be able to determine from the tariff whether the charges have been properly assessed. Simplicity in tariff structure, therefore, is advantageous to the commission firms and to the shippers.

[fol. 199] 165. The existing tariff contains certain maximum and minimum provisions which have the effect of giving weight to the number of head in a consignment within certain limits. The evidence in this record does not indicate any logical basis for such arbitrary distinctions or limitations. Such provisions result in bringing about frequent and unnecessary inequities. In view of the wide variation in the lots of livestock handled, it is not possible to formulate a tariff structure which will do exact justice in every instance and at the same time afford the desired simplicity. The task here is to determine upon a tariff structure which will do as nearly exact justice as possible and at the same time preserve the greatest possible degree of simplicity. The record shows, for approximately 27% of all cattle and calves and 50% of all hogs sold by the respondent commission men, the total number of head, the average weight of the animals, and the prices at which sales were made according to weight classification. This information is based upon representative sales as reported by the local market paper throughout the year 1932. This analysis and all other pertinent information have been given consideration in a determination of the rate structure of the schedule hereinafter prescribed. From all the evidence in this record, it is found that a tariff constructed upon the consignment as the unit, modified by appropriate graduations in charges according to the number of head and according to the weight of the animals in a consign-

ment, will most nearly conform to the desired standards of equity and simplicity.

166. During the oral argument in this proceeding, respondents submitted a tariff prepared by them and proposed for consideration as a tariff of reasonable rates to be herein prescribed. This proposed tariff is based upon the weight draft as the unit with graduations in charges according to the number of head and the weight of the livestock in each weight draft. There are features of their proposed tariff which would tend to overcome some of the obsolete aspects of the existing tariff. The extensive weight classifications would tend to complexity in application. Fewer weight classifications can be made, which will render a tariff simple in its application and at the same time preserve substantial equity among the different weight groups. From all the evidence it is reasonable to conclude that the consignment, as hereinafter defined, more nearly represents the work-occasioning unit than does the weight draft. Additional weight drafts in a consignment occasion some additional work, and the tariff structure [fol. 200] hereinafter prescribed makes provision to compensate for that extra work.

167. That which has been said with respect to the structure of the schedule for selling applies also to the structure for buying.

XXIV—The Reasonableness of Existing Rates

168. Upon the basis of the reasonable costs hereinbefore determined and upon a consideration of the entire record, it is found that respondents' schedules of rates and charges now under investigation contain rates and charges which are unreasonable and unjustly discriminatory.

XXV—Reasonable Rates

169. Upon the basis of all the foregoing and the entire record, it is found that rates not in excess of the following are schedules of just and reasonable rates:

Article I

Definitions

(1) A Consignment, for the purpose of assessing selling charges, is all the livestock of one species delivered in the

name of one person to one market agency to be offered for sale during the trading hours of one day.

(2) A Consignment, for the purpose of assessing buying charges, is all the livestock of one species bought at any time but shipped or delivered to one person on one market day.

(3) A Draft is all those animals in one consignment weighed as a single sales or purchase classification.

(4) A Person is an individual, a partnership, a corporation, and/or an association of any such acting as a unit.

(5) Calves are animals of the bovine species, weighed in drafts, the average weight of the animals in which is 400 pounds or under.

(6) Light Weight Cattle are animals of the bovine species, weighed in drafts, the average weight of the animals in which is from 401 pounds to 800 pounds.

[fol. 201] (7) Medium Weight Cattle are animals of the bovine species, weighed in drafts, the average weight of the animals in which is from 801 to 1200 pounds.

(8) Heavy Weight Cattle are animals of the bovine species, weighed in drafts, the average weight of the animals in which is 1201 pounds or over.

(9) Pigs are swine, weighed in drafts, the average weight of the animals in which is 130 pounds or under.

(10) Hogs are swine, weighed in drafts, the average weight of the animals in which is 131 pounds or over.

Article II

Selling Charges

Section A, Cattle and Calves

Calves:

Consignments of one head	45¢ per head
Consignments of more than one head	
1 to 15 head inclusive	30¢ per head
16 to 30 head inclusive	25¢ per head
Each head over 30	20¢ per head

Light Weight Cattle:

Consignments of one head	80¢ per head
Consignments of more than one head	
1 to 15 head inclusive	50¢ per head
16 to 30 head inclusive	40¢ per head
Each head over 30	30¢ per head

Medium Weight Cattle:

Consignments of one head	90¢ per head
Consignments of more than one head	
1 to 15 head inclusive	60¢ per head
16 to 30 head inclusive	50¢ per head
Each head over 30	40¢ per head

Heavy Weight Cattle:

Consignments of one head	$1.00 per head
Consignments of more than one head	
1 to 15 head inclusive	75¢ per head
16 to 30 head inclusive	60¢ per head
Each head over 30	50¢ per head

[fol. 202] Section B, Swine

Pigs:

Consignments of one head	30¢ per head
Consignments of more than one head	
1 to 25 head inclusive	15¢ per head
26 to 50 head inclusive	10¢ per head
Each head over 50	5¢ per head

Hogs:

Consignments of one head	35¢ per head
Consignments of more than one head	
1 to 25 head inclusive	25¢ per head
26 to 50 head inclusive	15¢ per head
Each head over 50	5¢ per head

Section C, Sheep or Goats

Sheep or Goats:

Consignments of one head	35¢ per head
Consignments of more than one head	
For the first 10 head in each 300 head	20¢ per head

For the next 50 head in each 300 head	15¢ per head
For the next 60 head in each 300 head	5¢ per head
For the next 130 head in each 300 head	2¢ per head
For the next 50 head in each 300 head	1¢ per head

Article III

Extra Service Charges

The following extra service charges are applicable to each consignment:

For each additional weight draft over 3, on account of sales classification	15¢
For each additional check, each additional account of sales, each proceeds deposit or bank credit over 1	5¢

[fol. 203] Article IV

Buying Charges

The rates for buying livestock of the various species shall not be in excess of those for selling like species.

Order

It is ordered that the respondent market agencies, and each and every one of them, on and after 30 days from the date hereof, cease and desist from demanding or collecting for any stockyard service the rate or charge shown therefor in the schedule of rates and charges now on file with the Secretary of Agriculture.

It is further ordered that on and after 30 days from the date hereof neither the respondent market agencies nor any of them shall publish, demand, or collect any rate or charge for the furnishing of any stockyard service in excess of the rate or charge hereinbefore determined to be just, reasonable, and non-discriminatory for the furnishing of such service.

It is further ordered that at least ten days prior to the date upon which this order becomes effective each and every of the respondent market agencies publish, give notice of, and file with the Secretary of Agriculture, in accordance with the Packers and Stockyards Act, 1921, and the regulations of the Secretary of Agriculture thereunder, a sched-

ule showing all rates and charges for the stockyard services furnished by such respondent at the Union Stock Yards, Chicago, Illinois, and all rules and regulations changing, affecting, or determining such rates or charges, and that no rate or charge so shown for any such stockyard service be in excess of the rate or charge hereinbefore determined to be just, reasonable, and non-discriminatory for such service.

It is further ordered that a copy of this order be transmitted by registered mail to each and every one of the respondent market agencies.

In witness whereof the Secretary of Agriculture has signed this order and caused the official seal of the Department of Agriculture to be affixed hereto in the City of Washington this 8th day of January, 1934.

Henry A. Wallace, Secretary of Agriculture.

[fol. 204] EXHIBIT D TO PETITION AND COMPLAINT

Supplemental Order of March 12, 1934

[fol. 205] UNITED STATES OF AMERICA:

BEFORE THE SECRETARY OF AGRICULTURE, BUREAU OF ANIMAL INDUSTRY

Docket No. 402

SECRETARY OF AGRICULTURE

vs.

C. H. ACKER, Doing Business as C. H. Acker and Company, et al., Respondents

Supplemental Order

Whereas, on January 8, 1934, the Secretary issued Findings of Fact and Conclusion in the above entitled case and ordered that respondent market agencies and each of them, on and after thirty days from the date thereof, cease and desist from demanding and collecting for any stockyard service the rate or charge shown therefor in the schedule of rates and charges then and now filed with the Secretary of Agriculture, and

Whereas, it was further ordered that on and after thirty days from January 8, 1934, neither the respondent market agencies nor any of them shall publish, demand, or collect any rate or charge for the furnishing of any stockyard service in excess of the rate or charge determined in said order to be just, reasonable, and nondiscriminatory, and

Whereas, it was further ordered that at least ten days prior to the date on which the order of January 8, 1934, was to become effective each and every of the respondent market agencies should publish, give notice of, and file with the Secretary, in accordance with the Packers and Stockyards Act and the regulations of the Secretary thereunder, a schedule showing all rates and charges for the stockyard services furnished by such respondents at the Union Stock Yards, Chicago, Ill., and all rules and regulations changing, affecting, or determining such rates or charges, and that no rate or charge so shown for any stockyard service be in [fol. 206] excess of the rate or charge thereinbefore determined to be just, reasonable, and nondiscriminatory for such service, and

Whereas, the Secretary, by his orders of January 23, February 27 and March 10, 1934, has postponed the effective date of said order whereby it is now to become effective on April 4, 1934, and

Whereas, on February 7, 1934, respondent commission firms filed a petition for rehearing, alleging, in substance, that the schedule of rates and charges prescribed in the Secretary's order will cause certain reductions in revenues which will make it impossible for petitioners to pay necessary operating expenses, thereby curtailing the efficiency of the service rendered; that there have been certain increases in expenses resulting from the operation of the National Recovery Act and the Agricultural Adjustment Act; that the schedule of rates and charges is inequitable in that the rates prescribed therein are not related to the cost of rendering the service with respect to the different species and classifications thereof; that petitioners desire to show that the draft is a more equitable basis than the consignment for the assessment of rates and charges for their services; that the petitioners desire to show that the prescribed rates are not consistent with the level of cost or the trend of cost; that the petitioners desire to show that all existing man power was used during certain periods of 1933 in order to perform the necessary functions and that substantially all petitioners

operated at a loss; that the methods of buying used by the packing industry and the increase of direct buying by the packers necessitate the maintenance of organizations to handle widely varying volume of business from day to day; that petitioners will not be able to restore salaries to the level desired by the Administration; that the rates prescribed will necessitate throwing out of employment a large number of people; that petitioners desire to prove that the Chicago market is efficient in the handling and selling of livestock; that petitioners desire to prove that conditions which prevailed during 1933 constitute a greater change than has occurred during any twelve months prior thereto; that the monetary changes taking place in the country have increased the cost to the petitioners; and that the commission rates should be based largely on the cost of service and the benefits received by the rate payer; and

Whereas, on February 12, 1934, representatives of the Solicitor's Office of this Department filed a reply to the [fol. 207] petition for rehearing setting forth reasons for denying said petition, and

Whereas, respondents have submitted certain data purporting to support the allegations of the petition for rehearing, and

Whereas, careful consideration has been given to the petition for rehearing, the reply thereto, the data submitted, and the entire record in this proceeding has been reconsidered;

Now, therefore, it is ordered that the petition for rehearing be and the same hereby is denied.

It is further ordered that the Findings of Fact as set out in Section XXV, Paragraph 169, of the Findings of Fact, Conclusions, and Order of January 8, 1934, be and the same are hereby modified to read as follows:

XXV—Reasonable Rates

169. Upon the basis of all the foregoing and the entire record, it is found that rates not in excess of the following are schedules of just and reasonable rates:

Article I

Definitions

(1) A Consignment, for the purpose of assessing selling charges, is all the livestock of one species delivered in the

name of one person to one market agency to be offered for sale during the trading hours of one day.

(2) A Consignment, for the purpose of assessing buying charges, is all the livestock of one species bought at any time but shipped or delivered to one person on one market day.

(3) A Draft, is all those animals in one consignment weighed as a single sales or purchase classification.

(4) A Person, is an individual, a partnership, a corporation, and/or association of any such acting as a unit.

(5) Calves, are animals of the bovine species, weighed in drafts, the average weight of the animals in which is 400 pounds or under.

(6) Light Weight Cattle, are animals of the bovine species, weighed in drafts, the average weight of the animals in which is from 401 pounds to 800 pounds.

[fol. 208] (7) Medium Weight Cattle, are animals of the bovine species, weighed in drafts, the average weight of the animals in which is from 801 pounds to 1200 pounds.

(8) Heavy Weight Cattle, are animals of the bovine species, weighed in drafts, the average weight of the animals in which is 1201 pounds or over.

(9) Pigs, are swine, weighed in drafts, the average weight of the animals in which is 130 pounds or under.

(10) Hogs, are swine, weighed in drafts, the average weight of the animals in which is 131 pounds or over.

Article II

Selling Charges

Section A, Cattle and Calves

Calves:

Consignments of one head	45¢ per head
Consignments of more than one head	
1 to 15 head inclusive	30¢ per head
16 to 30 head inclusive	25¢ per head
Each head over 30	20¢ per head

Light Weight Cattle:

Consignments of one head	80¢ per head
Consignments of more than one head	
1 to 15 head inclusive	55¢ per head
16 to 30 head inclusive	45¢ per head
Each head over 30	35¢ per head

Medium Weight Cattle:

Consignments of one head	90¢ per head
Consignments of more than one head	
1 to 15 head inclusive	65¢ per head
16 to 30 head inclusive	55¢ per head
Each head over 30	45¢ per head

Heavy Weight Cattle:

Consignments of one head	$1.00 per head
Consignments of more than one head	
1 to 15 head inclusive	75¢ per head
16 to 30 head inclusive	65¢ per head
Each head over 30	55¢ per head

[fol. 209] Section B, Swine

Pigs:

Consignments of one head	30¢ per head
Consignments of more than one head	
1 to 25 head inclusive	15¢ per head
26 to 50 head inclusive	10¢ per head
Each head over 50	5¢ per head

Hogs:

Consignments of one head	35¢ per head
Consignments of more than one head	
1 to 25 head inclusive	25¢ per head
26 to 50 head inclusive	15¢ per head
Each head over 50	10¢ per head

Section C, Sheep or Goats

Sheep or Goats:

Consignments of one head	35¢ per head
Consignments of more than one head	
For the first 10 head in each 300 head	25¢ per head

For the next	50 head in each 300 head	15¢ per head
For the next	60 head in each 300 head	5¢ per head
For the next	130 head in each 300 head	2¢ per head
For the next	50 head in each 300 head	1¢ per head

Article III

Extra Service Charges

The following extra service charges are applicable to each consignment:

For each additional weight draft over 3, on account of sales classification	15¢
For each additional check, each additional account of sales, each proceeds deposit or bank credit, over 1	5¢

[fols. 210 & 211] Article IV

Buying Charges

The rates for buying livestock of the various species shall not be in excess of those for selling like species.

It is further ordered that the respondent market agencies, and each and every one of them, on and after April 4, 1934, cease and desist from demanding or collecting for any stockyard service the rate or charge shown therefor in the schedule of rates and charges now on file with the Secretary of Agriculture.

It is further ordered that on and after April 4, 1934, neither the respondent market agencies nor any of them shall publish, demand, or collect any rate or charge for the furnishing of any stockyard service in excess of the rate or charge hereinbefore determined to be just, reasonable, and nondiscriminatory for the furnishing of such service.

It is further ordered that at least ten days prior to the date upon which this order becomes effective each and every of the respondent market agencies publish, give notice of, and file with the Secretary of Agriculture, in accordance with the Packers and Stockyards Act, 1921, and the regulations of the Secretary of Agriculture thereunder, a schedule showing all rates and charges for the stockyard services furnished by such respondent at the Union Stock Yards, Chicago, Illinois, and all rules and regulations changing, affecting, or determining such rates or charges, and that no

rate or charge so shown for any such stockyard service be in excess of the rate or charge hereinbefore determined to be just, reasonable, and nondiscriminatory for such service.

It is further ordered that a copy of this order be transmitted by registered mail to each and every one of the respondent market agencies.

In witness whereof the Secretary of Agriculture has signed this order and caused the official seal of the Department of Agriculture to be affixed hereto in the City of Washington this 12th day of March, 1934.

H. A. Wallace, Secretary of Agriculture.

[fols. 212-214] In United States District Court

[Title omitted]

Order Setting Cause, etc.—April 18, 1934

It appearing that the plaintiffs have heretofore filed their petition and complaint in the above proceeding, seeking an injunction, suspending or restraining the enforcement, operation or execution of a certain order and supplemental order of the Secretary of Agriculture, therein described, and praying for a preliminary or interlocutory injunction,

It is ordered by the court that said application for preliminary or interlocutory injunction in the above-entitled cause be, and it is hereby, set for hearing on Thursday, April 19, 1934, at the hour of Ten o'clock A. M., and Honorable Samuel Alschuler, United States Circuit Judge for the Seventh Circuit, and Honorable James H. Wilkerson, United States District Judge for the Northern District of Illinois, are called to the assistance of this court to hear and determine said application.

Dated this 18th day of April, 1934.

John P. Barnes, Judge.

[fol. 215] In United States District Court

[Caption omitted]

Interlocutory Injunction—Filed April 19, 1934

On this 19th day of April, 1934, came the petitioners and plaintiffs and presented to the undersigned judges of this

court, convened as required by statute, a verified petition and complaint supported by affidavits, in which petition and complaint it is prayed that an interlocutory injunction suspending and restraining the enforcement, operation or execution of the Order of January 8, 1934, and of the Supplemental Order of March 12, 1934, in Bureau of Animal Industry, Docket 402, of the defendant, Henry A. Wallace, Secretary of Agriculture, issue against the defendants and each of them, as in said petition and complaint prayed.

The Court being duly advised in the premises, finds that notice of application for such interlocutory injunction has been duly given to the defendants in accordance with law and that immediate and irreparable injury and damage [fol. 216] would result to the petitioners and plaintiffs unless such order for interlocutory injunction shall issue according to the prayer of the petition and complaint, and that the petitioners and plaintiffs are entitled to such interlocutory injunction as prayed.

Now, therefore, it is by this Court ordered that a writ of injunction issue out of and under the seal of this Court restraining and enjoining until the further order of this Court, the defendants, Henry A. Wallace, Secretary of Agriculture, Homer S. Cummings, Attorney General, and Dwight H. Green, District Attorney of the United States, for the Northern District of Illinois, and all of the officers, attorneys, solicitors, agents and representatives of the United States, and all other persons acting or claiming, or assuming to act for and under the authority of the defendants, or either of them, and all persons who now seek or attempt, or shall hereafter seek or attempt, to interfere with or abridge the rights of the petitioners and plaintiffs, or to do any act in anywise militating against the right of the petitioners and plaintiffs, to collect, demand, receive and retain rates and charges for stockyard services at the Union Stock Yards in Chicago, in accordance with the schedule of rates and charges of petitioners and plaintiffs now on file with the Secretary of Agriculture; and that each and all of the same persons be restrained and enjoined from instituting, prosecuting or aiding in instituting or prosecuting any proceeding or action for penalties, fines or imprisonment against the petitioners and plaintiffs, or their agents, because of failure to comply with said Orders of the Secretary of Agriculture of January 8, 1934 and of March 12, 1934, and from enforcing the execution

and operation of said Orders and each and every part thereof.

Provided, however, that the petitioners and plaintiffs shall deposit with the Clerk of this Court on the fifth day of each month hereafter, beginning with the 5th day of [fols. 217 & 218] May, 1934, while this Order may remain in force and effect and pending final disposition of this cause, the full amount for the preceding month, by which the charges collected under the Schedule of Rates in effect exceeds the amount which would have been collected for the same period under the rates prescribed in the Orders of the Secretary, dated January 8, 1934 and March 12, 1934, together with a verified statement of the names and addresses of all persons upon whose behalf such amounts are collected by petitioners.

(Signed) Alschuler, Wilkerson, and Barnes, Judges.

Dated Chicago, Illinois, April 19, 1934.

O. K. as to form. John S. Boyd. Wendell Berge. C. E. Miles. Dwight H. Green.

[fol. 219] In United States District Court

[Title omitted]

Answer—Filed May 14, 1935

First Defense

For their first defense to the petition and complaint in the above entitled case defendants aver that said petition and complaint fails to state grounds for equitable relief in that said petition and complaint fails to allege facts which show that the orders of the Secretary under attack are beyond the constitutional or statutory power of the Secretary to enter, that they are based upon a mistake of law, or that they are confiscatory as to any of the individual petitioners.

Wherefore, defendants pray that the petition and complaint be dismissed and that an order be entered accordingly.

Second Defense

Defendants in the above entitled cause answer the petition and complaint hereinbefore filed as follows:

1. Defendants admit the allegations contained in paragraphs (1) to (3) of said petition and complaint.

[fol. 220] 2. Answering paragraph (4) of said petition and complaint, defendants admit the allegations of fact contained therein. Defendants say that the last nine lines of said paragraph (4), beginning with the words "Said purported orders are arbitrary" merely contain conclusions of law which do not require an answer, nevertheless, defendants deny the allegations contained in said last nine lines.

3. Defendants admit the allegations contained in paragraph (5) of said petition and complaint.

4. Answering paragraph (6) of said petition and complaint, defendants say that the allegations with respect to the arbitration agreement and award of 1923 are irrelevant and immaterial to the validity of the Secretary's orders and to this suit. Nevertheless, defendants further say that the allegations contained in said paragraph (6) are not full, complete or accurate statements of the arbitration agreement and award of 1923; that said arbitration agreement and award are attached to the petition and complaint as Exhibit "A" and Exhibit "B" respectively, and reference may be made and had thereto as to the contents and meaning of said arbitration agreement and award. Defendants deny that a schedule of rates, charges and practices was "prescribed and found" by the arbitrators, and defendants say that said arbitration award was the result of voluntary action by the private parties thereto. Defendants admit that the schedule of rates and charges agreed upon in said arbitration have been in effect since September 15, 1923, and that the petitioners and others similarly situated have since that date adopted, followed and used the said schedule, and that the same has remained in effect without substantial alteration since September, 1923. Upon information and belief defendants deny that substantially all of [fol. 221] the petitioners operated at a loss during 1933.

5. Answering paragraphs (7) to (10) inclusive of said petition and complaint, defendants admit the allegations of

fact contained therein except that defendants say that in the seventh line of paragraph (8) the date of the order should be given as January 8, 1934, instead of January 8, 1933.

6. Answering paragraph (11) of said petition and complaint, defendants admit that the Secretary of Agriculture, and the United States Attorney for this district, under the direction of the Attorney General, will, except in so far as restrained by order of this Court, take appropriate action to enforce the order and supplemental order of the Secretary challenged in this suit. Defendants respectfully refer this Court to Sections 314, 315, 402 and 404 of the Packers and Stockyards Act, 1921, as indicating the scope of the duties imposed by the statute upon the several defendants with respect to the enforcement of orders of the Secretary of Agriculture.

7. Answering paragraph (12) of said petition and complaint, defendants say that the type of service rendered by the petitioners as market agencies at the Chicago Union Stock Yards is indispensable and invaluable to the agricultural industry as now organized in furnishing a market for, and necessary service to, the producers of live stock, and in distributing and selling live stock to agencies to prepare such live stock for human consumption or to live stock raisers or breeders for further production, but defendants say that the services of all of the petitioners as market agencies are not necessary or invaluable for the above purposes. With the above qualifications defendants admit the allegations of said paragraph (12).

8. Answering paragraphs (13) and (14) of said petition and complaint, defendants admit the allegations contained therein.

[fol. 222] 9. Answering paragraph (15) of said petition and complaint, defendants say that the allegations contained therein infer that in all cases the owners are the directing heads and themselves render the services of buying and selling. Defendants say that this is not so in all cases and that in many cases the owners do no buying and selling. With the above qualifications defendants admit the allegations contained in said paragraph (15).

10. Answering paragraphs (16) to (19) inclusive of said petition and complaint, defendants admit the allegations contained therein.

11. Answering paragraph (20) of said petition and complaint, defendants say that the allegation that "The petitioners do not enjoy a monopoly" is a conclusion of law which requires no answer, nevertheless, defendants deny said allegation. Defendants admit the other allegations contained in said paragraph (20).

12. Answering paragraph (21) of said petition and complaint, defendants deny the allegation that "Salesmen particularly must be employed by the year." Defendants admit the other allegations of said paragraph (21).

13. Answering paragraph (22) of said petition and complaint, defendants admit that the Secretary has found that the rates and charges adopted in 1923 upon arbitration are unreasonable and unjustly discriminatory now, and that the Secretary has made findings as to just and reasonable rates. The remaining allegations contained in said paragraph (22) are all either conclusions of law which require no answer, or statements of alleged fact irrelevant to the validity of the Secretary's orders and to this suit, which need be neither admitted nor denied, nevertheless, defendants deny each and every allegation contained in said paragraph (22) except as hereinbefore expressly admitted.

[fol. 223] 14. Answering paragraph (23) of said petition and complaint, defendants say that the matters contained therein are merely petitioners' conclusions of law with respect to the facts alleged in the subparagraphs of paragraph (23), and that such matters do not require an answer, nevertheless, defendants deny all of the allegations contained in said paragraph (23). Defendants' answer to the allegations contained in the subparagraphs of paragraph (23) is as follows:

(a) Answering the allegations of subparagraph (a) of paragraph (23), defendants admit that the rates and charges prescribed in the Secretary's orders are not based upon the median method, the modal method, the bulk line method, the market average method or percentage deviations from such methods, but defendants deny that the rates and charges prescribed by the Secretary's orders were not based upon any well-known or well-recognized statistical method or principle. Defendants deny that the rates and charges prescribed by the Secretary were evolved by guess

or supposition, and deny that the findings of the Secretary as to reasonable costs set up a standard of efficiency and cost which, because of the conditions and factors obtaining in the business of petitioners, cannot be attained or approximated. Defendants say that the table contained in said subparagraph (a), printed on page 16 of said petition and complaint, is misleading in that the figures given in the column headed "Costs found reasonable by Secretary" do not include the allowance for profit found by the Secretary to be reasonable. Defendants say that the matters contained in said table are irrelevant to the validity of the Secretary's orders and to this suit. With respect to that portion of subparagraph (a) which follows the aforesaid table and which begins with the words "In the foregoing table," [fol. 224] defendants, while saying that the matters contained therein are irrelevant to the validity of the Secretary's orders and to this suit, nevertheless admit the allegations of fact contained therein, except that defendants say that the figure "22.9" in the 9th line from the end should be "229."

(b) Answering subparagraph (b) of paragraph (23), defendants deny each and every allegation contained therein.

(c) Answering subparagraph (c) of paragraph (23), defendants admit that the Secretary found that the reasonable cost of salesmanship for selling cattle and calves was 16.67 cents per head; that the reasonable cost of salesmanship for selling hogs was 4.14 cents; and that the reasonable cost of salesmanship for selling sheep was 1.48 cents. Defendants say that the allegations with respect to the actual average cost of salesmen's salaries in 1932 are irrelevant to the validity of the Secretary's orders and to this suit and that they require no answer, nevertheless, defendants deny each such allegation. Except as hereinbefore expressly admitted, defendants deny each and every allegation in said subparagraph (c).

(d) Answering subparagraph (d) of paragraph (23), defendants admit that the Secretary classified cattle and swine into grades dependent upon weight, and prescribed rates and charges for each weight classification; otherwise defendants deny each and every allegation in said subparagraph (d).

(e) Answering subparagraph (e) of paragraph (23), defendants admit that the Secretary based his rates and charges for the selling of live stock upon the consignment basis rather than upon the draft basis, and that the sales of live stock are made by drafts, the number of animals in one consignment going over the scales at one time and that one consignment may and frequently does consist of sev-
[fol. 225] eral drafts thereby materially and substantially increasing costs and charges; otherwise defendants deny each and every allegation contained in said subparagraph (e).

(f) Answering subparagraph (f) of paragraph (23), defendants deny each and every allegation contained therein.

(g) Answering subparagraph (g) of paragraph (23), defendants admit that the Secretary found that it is reasonable to associate a salesmanship performance of 27,000 head or 1,000 cars of cattle and calves with a salary of $4500 and that the Secretary found that 16.67 cents was a reasonable per head cost for salesmanship for cattle and calves. With respect to each and every other allegation of fact contained in said subparagraph (g), defendants, while saying that each and every such other allegation is irrelevant and immaterial to the validity of the Secretary's orders and to this suit and need be neither admitted nor denied, nevertheless, deny each and every allegation contained in said subparagraph (g) except as hereinbefore otherwise expressly admitted.

(h) Answering subparagraphs (h), (i) and (j) of paragraph (23), defendants deny each and every allegation contained therein.

(i) Answering subparagraph (k) of paragraph (23) defendants admit that it has been customary on the Chicago market to charge approximately one-half of the whole rate for live stock resold on the market, and admit that no rate has been provided by the Secretary for handling "seconds" other than the rate for handling of fresh cattle, calves, hogs and sheep; otherwise defendants deny each and every allegation contained in subparagraph (k).

(j) Answering subparagraph (l) of paragraph (23), defendants admit that the Secretary considered reimburse-
[fol. 226] ment to cover management and to cover unin-

surable risk to be profit; otherwise defendants deny each and every allegation in said subparagraph (l).

(k) Answering subparagraph (m) of paragraph (23), defendants deny each and every allegation contained therein.

(l) Answering subparagraph (n) of paragraph (23), defendants admit that the Secretary denied the petitioners' petition for rehearing and amended petition for rehearing, but defendants deny that such action of the Secretary was arbitrary or unreasonable.

(m) Answering subparagraphs (o) and (p) of paragraph (23), defendants deny each and every allegation contained therein.

(n) Answering subparagraph (q) of paragraph (23), defendants admit that the method of cost determination used by the Secretary was not a purely statistical method; otherwise defendants deny each and every allegation contained in said subparagraph (q).

(o) Answering subparagraph (r) of paragraph (23), defendants deny each and every allegation contained therein.

15. Answerng paragraph (24) of said petition and complaint, defendants, while saying that the allegations contained therein are irrelevant and immaterial to the validity of the orders and to this suit, nevertheless, admit the allegations contained therein.

16. Answering paragraph (25) of said petition and complaint, defendants admit that the present rates and charges have not been changed since the arbitration award of 1923 and that the rates and charges in effect since such award was made have not been confiscatory. Defendants admit that since 1931 material reductions in salaries have been made; otherwise defendants deny each and every other allegation contained in said paragraph (25).

[fol. 227] 17. Answering paragraph (26) of said petition and complaint, defendants say that the matters contained therein are merely conclusions of law and require no answer, nevertheless, defendants deny each and every allegation contained therein.

18. Answering paragraph (27) of said petition and complaint, defendants say that the matters contained therein

are merely petitioners' conclusions of law with respect to the facts alleged in the subparagraphs of paragraph (27), and that the matters contained in said paragraph (27) require no answer, nevertheless, defendants deny each and every allegation contained in said paragraph (27). Defendants' answer to the allegations contained in the subparagraphs of paragraph (27) is as follows:

(a) Answering subparagraph (a) of paragraph (27), defendants admit that the gross actual and aggregate selling commissions for 1932 amounted to $2,824,372, but defendants say that any computations based upon aggregate figures of the businesses of all of petitioners or any number of them added together are irrelevant to the validity of the Secretary's orders and to this suit. Although saying that all of the allegations contained in said subparagraph (a) are irrelevant and immaterial, defendants nevertheless deny each and every allegation therein not heretofore expressly admitted.

(b) Answering subparagraphs (b) and (c) of paragraph (27), defendants say that the allegations contained therein are based upon the aggregate of business of all of petitioners and are therefore irrelevant and immaterial to the validity of the Secretary's orders and to this suit, nevertheless, defendants deny each and every allegation contained in said subparagraphs (b) and (c).

(c) Answering subparagraph (d) of paragraph (27), defendants say that the allegations contained therein are based upon aggregate figures taken from the businesses of [fol. 228] all of petitioners and that such allegations are therefore irrelevant and immaterial to the validity of the Secretary's orders and to this suit. Defendants admit, however, that the figures contained in subparagraph (d) are correct as to what they purport to show. Defendants deny that, upon the basis of cost considered reasonable by the Secretary, the petitioners in 1932 are deemed to have operated their businesses at twice the necessary cost.

(d) Answering subparagraph (e) of paragraph (27), defendants admit that the rates and charges prescribed by the Secretary will not be sufficient to reimburse all of the petitioners for their actual operating expenses if such actual operating expenses remain as high as in the past without

an increase in volume of receipts, and defendants say that this is irrelevant and immaterial to the validity of the Secretary's orders and to this suit. Defendants deny that the rates and charges prescribed will not be sufficient to reimburse petitioners for the expenses found to be reasonable by the Secretary in the rendition of stockyard services. Except as herein otherwise expressly admitted, defendants deny each and every allegation contained in said subparagraph (e).

(e) Answering subparagraph (f) of paragraph (27), defendants deny that the increased costs and charges resulting from the fact that one consignment may consist of several drafts are not recognized by the order and supplemental order of the Secretary. Defendants also deny that said order and supplemental order are confiscatory. Defendants admit that the rates and charges prescribed by the Secretary are upon the consignment basis.

(f) Answering subparagraph (g) of paragraph (27), defendants deny each and every allegation contained therein.

[fol. 229] (g) Answering subparagraph (h) of paragraph (27), defendants admit that from 1923 to 1932 the number of head of cattle received at the Chicago Union Stock Yards decreased by over 1,000,000 head; calves by almost 300,000 head; hogs by over 5,000,000 head; and sheep by substantially 1,000,000 head, and that decreases in volume have been most marked in the more recent years. Defendants deny on information and belief the allegation that the volume of live stock arriving at the Chicago stockyards is decreasing at an accelerated rate because of the production program of the Federal Administration. Defendants deny each and every other allegation contained in said subparagraph (h).

(h) Answering subparagraph (i) of paragraph (27), defendants admit that petitioners and other market agencies are required by the Packers and Stockyards Act, 1921, and by regulations of the Secretary thereunder, to post bonds for the protection of their customers, and that the surety companies issuing such bonds require collateral. Defendants deny upon information and belief that if the rates and charges prescribed in the order and supplemental order are put into effect the petitioners can reasonably fear that the

surety companies will cancel their bonds because of losses suffered under the new rate schedule. Defendants further deny upon information and belief that petitioners will be compelled to go out of business. Defendants further deny upon information and belief the allegation that during the last 12 months the bonds of several market agencies of the Chicago Union Stock Yards have been cancelled because the bonding companies have asserted that the losses sustained by the insured agencies in the conduct of their business made the collateral insecure.

[fol. 230] (i) Answering subparagraph (j) of paragraph (27), defendants deny each and every allegation contained therein.

(j) Answering subparagraph (k) of paragraph (27), defendants admit that the smaller draft and increase in per head sales on truck deliveries has increased petitioners' costs, but deny that the Secretary did not give adequate consideration to this increasing cost factor. Defendants admit that truck deliveries have increased since 1923 by approximately the percentages alleged. Except as herein expressly admitted, defendants deny each and every allegation contained in said subparagraph (k).

(k) Answering subparagraph (l) of paragraph (27), defendants admit that a variation of one pound in the average weight of a consignment of steers may cause, according to the prescribed rate, a difference of 15 cents per head commission for the sale of such a consignment of steers, while the cost of selling may not vary, but defendants say that such fact is wholly irrelevant and immaterial to the validity of the Secretary's orders and to this suit. Except as herein expressly admitted, defendants deny each and every allegation contained in said subparagraph (l).

(l) Answering subparagraph (m) of paragraph (27), defendants deny that the Secretary found that the reasonable cost of selling calves was 42 plus cents per head. Defendants say that the Secretary found that the total per head cost for selling cattle and calves was 42 plus cents per head, but this was not a finding as to the per head cost of selling calves alone. Defendants admit that the commissions prescribed for selling calves in the larger consignments are below 42 plus cents per head but say that such fact is irrele-

vant and immaterial to the validity of the Secretary's orders and to this suit. Except as herein expressly admitted, [fol. 231] defendants deny each and every allegation contained in said subparagraph (m).

(m) Answering subparagraph (n) of paragraph (27), defendants admit that the Secretary found that the reasonable cost for the sale per head of cattle and calves is 42.97 cents; of hogs 13.23 cents; and of sheep 4.85 cents. Defendants further admit that the Secretary found that the reasonable per head profit was 3.9 cents per head in the case of cattle and calves; 1.4 cents per head in the case of hogs; and .55 cents in the case of sheep. Except as herein expressly admitted, defendants deny each and every allegation contained in said subparagraph (n).

(n) Answering subparagraph (o) of paragraph (27), defendants admit that in ten years the percentage of each species handled by Chicago market agencies in relation to the other central stockyards in the middle west has declined by approximately the percentage figures alleged; otherwise defendants deny each and every allegation contained in said subparagraph (o).

(o) Answering subparagraph (p) of paragraph (27), defendants admit that the direct receipts by packers in relation to the receipts at the Chicago Stock Yards have increased as to all species by approximately the percentage figures alleged; otherwise defendants deny each and every allegation contained in said subparagraph (p).

19. Answering paragraph (28) of said petition and complaint, defendants say that the matters contained therein are merely conclusions of law which require no answer, nevertheless, defendants deny each and every allegation contained therein.

20. Answering paragraph (29) of said petition and complaint, defendants admit that the Secretary overruled and denied the petition for rehearing filed February 7, 1934, [fol. 232] and that said petition contained substantially the allegations which petitioners, in said paragraph (20) say that it contained. But defendants deny that the Secretary erroneously, improperly, arbitrarily or unreasonably overruled and denied said petition for rehearing.

21. Answering paragraph (30) of said petition and complaint, defendants admit that the Secretary overruled and denied the amended petition for rehearing filed April 9, 1934, and admit that said amended petition for rehearing contained substantially the allegations which petitioners, in said paragraph (30), say that it contained. But defendants deny that the Secretary erroneously, arbitrarily or unreasonably overuled and denied said amended petition for rehearing.

22. Answering paragraph (31) of said petition and complaint, defendants say that they will take such action as is appropriate under the law to enforce the Secretary's orders, except as restrained therefrom by this Court. Defendants admit that if and when the Secretary's orders become effective, petitioners will be permitted by law to collect only such rates as are prescribed in said orders. With respect to the allegations that petitioners will suffer irreparable injury unless, pending final determination, the orders of the Secretary are temporarily stayed and suspended, defendants respectfully refer to the order of this Court heretofore entered temporarily enjoining the enforcement of the Secretary's orders with the provision that the excess rates and charges collected over and above the rates and charges prescribed in the Secretary's orders shall be impounded by this Court monthly pending final determination of the issues herein. Except as herein expressly admitted, defendants deny each and every allegation contained in said paragraph (31).

[fols. 233 & 234] 23. Answering paragraph (32) of said petition and complaint, defendants deny each and every allegation contained therein.

24. Except as hereinbefore otherwise expressly admitted, defendants deny the truth of each and every allegation contained in said petition and complaint.

Wherefore, having fully answered, defendants pray that the petition and complaint be dismissed at the cost of the petitioners, that the temporary injunction heretofore granted by this Court be dissolved and petitioners be required to make full refund to all parties who have paid rates and charges to petitioners from and after April 20, 1934, which are or shall be in excess of the rates and charges pre-

scribed in the orders of the Secretary, and for the benefit of such other order or orders as the court may deem appropriate.

(Signed) Wendell Berge, Special Assistant to the Attorney General. Harold M. Stephens, Assistant Attorney General. Dwight H. Green, United States Attorney. Seth Thomas, Solicitor, Department of Agriculture. C. E. Miles, Attorney, Department of Agriculture. G. N. Dagger, Attorney, Department of Agriculture.

[fols. 235 & 236] IN UNITED STATES DISTRICT COURT

[Title omitted]

ORDER GRANTING LEAVE TO AMEND PETITION AND COMPLAINT —June 12, 1934

Upon motion of the petitioners and plaintiffs, the Court being advised in the premises, be it and it is hereby ordered that leave be and leave is hereby given to the petitioners and plaintiffs to amend instanter their Petition and Complaint, heretofore filed herein, by inserting between Paragraphs 28 and 29 thereof, the following amendment:

28a. Each petitioner on his or its own behalf charges that the facts alleged in the foregoing paragraphs as to market experiences apply to his or its own business without substantial variation from the market experiences; that his or its own business is conducted economically, efficiently and at reasonable costs and with the exercise of sound business judgment as to costs and expenditures; that the rates, charges and practices prescribed by said Order and said Supplemental Order, if permitted to become effective and if enforced, will deprive him or it of his or its property and business without due process of law, and will deny to him or it the equal protection of the laws in violation of his or its rights under the Constitution and laws of the United States; and that the said Order and Supplemental Order are without warrant and authority of law and if put into effect and enforced will confiscate his or its property and business without due process of law and in violation of the

rights guaranteed by the Constitution and laws of the United States.

Enter.

Samuel Alschuler, Circuit Judge. James H. Wilkerson, John P. Barnes, District Judges.

Dated Chicago, June 12, 1934.

[fols. 237 & 238] IN UNITED STATES DISTRICT COURT

[Title omitted]

ANSWER TO AMENDMENT TO PETITION AND COMPLAINT—Filed June 25, 1935

Come now the defendants in the above entitled cause and answer the amendment to the petition and complaint hereinbefore filed, which amendment constitutes paragraph 28a of the amended petition and complaint, as follows:

1. Defendants deny each and every allegation of paragraph 28a of said petition and complaint, as amended.

Wherefore, having fully answered, defendants pray that said petition and complaint, as amended, be dismissed, and for the benefit of such order or orders as the court may deem appropriate.

Wendell Berge, Special Assistant to the Attorney General. Harold M. Stephens, Assistant Attorney General. Dwight H. Green, United States Attorney.

[fol. 239] [File endorsement omitted]

IN UNITED STATES DISTRICT COURT

Equity No. 13829

C. H. ACKER, Doing Business as C. H. Acker & Company, et al.

vs.

UNITED STATES et al.

Narrative Statement of Evidence Before Statutory Court—Filed Dec. 17, 1935

[fol. 240] NARRATIVE STATEMENT OF EVIDENCE TAKEN IN THE ABOVE ENTITLED CAUSE BEFORE HONORABLE SAMUEL ALSCHULER, JAMES H. WILKERSON, AND JOHN P. BARNES, JUDGES OF SAID COURT, SITTING EN BANC COMMENCING MONDAY, JUNE 11, 1934.

Mr. George I. Haight, Mr. John S. Boyd, and Mr. M. K. Hobbs, appeared for the petitioners and plaintiffs; and

Mr. Wendell Berge, and Mr. C. E. Miles, appeared for the respondents and defendants.

[fol. 241] OFFERS IN EVIDENCE

There was offered in evidence on behalf of the petitioners and plaintiffs the original record, transcript of evidence and exhibits in Secretary of Agriculture vs. C. H. Acker, doing business as C. H. Acker & Company, et al., Bureau of Animal Industry Docket No. 402.

Upon the offer of testimony to support the allegations of the petition and complaint, Mr. Berge on behalf of the respondents and defendants objected to the admissibility of any testimony or evidence before the court on the following grounds:

1. That the case was before the court solely on the record before the Secretary of Agriculture.

2. That evidence to establish confiscation was not admissible because the pleadings did not properly tender the issue of confiscation and because evidence bearing on the application of the rate orders of the Secretary of Agriculture

since the Secretary's record was closed was not pertinent to the issue of confiscation.

"Judge Alschuler: In respect to the specific matter that was under consideration, namely, the introduction of evidence, after a more or less cursory examination of the bill, we suggest the possible advisability of some further amendment making the allegations of fact, not as to each particular person, except in the way of applying each as they are applied in the conclusion. I am merely offering our thought.

The balance of our judgment is that the evidence is in- [fol. 242] admissible, although of a general nature, but that in any event the question may be sufficiently in doubt that, especially in view of the facts as stated by Mr. Haight, it would be better to admit it and possibly reach a decision and decide it in view of the evidence, and perhaps, I presume, without the evidence, so that in case what we decide is reviewed by the Supreme Court they will have it all there, and in the interest of time they will have all of the facts before them from which they should decide we improperly excluded it, so without passing on the question in advance of the offer of the evidence——

Mr. Haight: Yes.

Judge Alschuler: —that is the conclusion we have reached.

Mr. Berge: May it please the Court, may we have it understood that my objection stands to all this testimony?

Judge Alschuler: Surely.

Mr. Berge: Then I can note an exception on the record to the ruling?"

Earle D. Mudd, called as a witness on behalf of the petitioners and plaintiffs, being first duly sworn, testified as follows:

Direct examination.

By Mr. Haight:

I am a consulting accountant located at the Tribune Tower, Chicago. Accounting has been my profession for twenty-five or thirty years; I have been a consulting accountant four or five years. I testified before the Commissioner in the proceedings brought by the Secretary (Bureau [fol. 243] of Animal Industry, Docket 402) and there

showed my qualifications and experience with the stockyards business.

I refer to Petitioner's Exhibit No. 1 entitled "Volume of Live Stock handled by Petitioners during the months ending April 30, 1934, showing the commissions under Secretary's rates as compared with Present Commission." This exhibit consists of seven sheets. I made it. I was assisted by the office organizations of the petitioners who supplied me with the detailed records which I summarized.

The work was done during the past six or seven weeks and all under my direction. The information in the exhibit was obtained from the petitioners' accounts of sales.

I am familiar with the Union Stock Yards in Chicago and with the offices of the various plaintiffs who appear in these proceedings. At the time this work was started these offices were located in the Exchange Building, Union Stock Yards. That building has since been destroyed by fire. The records of the plaintiffs were kept in their offices. I worked in their offices with the records. They were destroyed in the fire to which I have referred.

Exhibit 1 shows results for each petitioner firm and collectively for all firms for the four months ending April 30, 1934.

[fol. 244] The details in support of this exhibit were assembled and summarized under my supervision by the office organizations of the respective petitioner firms, and in the performance of this work each account of sale rendered by petitioners during January, February, March and April, 1934, except where records were destroyed in the fire, as indicated on the exhibit, was analyzed as to the number of head of livestock of each classification sold, and then repriced according to the Secretary's rates.

This detail was recorded on the forms printed similar to the arrangement of this schedule, including reference to each of the account of sales.

The account of purchases for this period were not so analyzed because the Secretary's orders of January 8 and March 12, 1934, were found to be ambiguous with respect to the buying rates, and by the time interpretations and explanations necessary to the proper application of these rates were received the fire had destroyed the purchasing records for the period here considered with reference to each of the parties. Each and all of their offices and account of purchase and account of sale records were de-

stroyed by the fire. The only records saved were the records which had already been turned over to me and were in my office in the Tribune Tower. Everything that was either in my sub-office in the Exchange Building or in the [fol. 245] offices of the petitioners was completely destroyed. I began to do this work immediately after the hearing on the preliminary injunction. The figures I am using here are figures that already had been recorded and away from the Stock Yards when the fire occurred. With respect to the details of account sales and account purchases there was nothing remaining at the Stock Yards after the fire. The only records remaining were some of their general books that were inside of insulated safes. All other records, even though they were in steel filing cabinets, were completely destroyed. The buying transactions handled by the commission firms embraced in this study are extremely small and are merely incidental to their selling activities. Furthermore, it has been indicated by subsequent impounding records that the Secretary's rates for buying are so seldom lower than the present buying rates that such differences, if any, would have been so slight as to have practically no effect on the percentages of reduction, the development of which was the sole object of this work and this schedule. Nevertheless, in order to avoid any possible effect upon the buying rates the total buying commissions for the entire period were added, though not in detail, before the percentages of reduction were calculated.

Before all of this analysis work had been completed and reconciled the fire of May 19, 1934, destroyed the accounts [fol. 246] of sales and the accounts of purchases of all of these petitioners. At that time, however, approximately eighty per cent of the total volume of business handled during the entire four months had been analyzed, and this volume was already considerably greater than the amount in volume required to indicate the effect of the Secretary's rates.

It will be noted that the net reductions in commissions which would result from the Secretary's rates with respect to each of these petitioners range from 14.09 per cent to 26.98, and that the average reduction for all petitioners under the Secretary's rates is 20.68 per cent. However, this 20.68 per cent, which indicates the extent of the reduction under the Secretary's maximum rates, does not

fully indicate the extent of the reduction in actual practice. This is because there is a class of business handled by these petitioners known as "seconds", which represent live stock sold for speculation on the market for which full rates are not and should not be charged because part of the selling activities are performed by the speculators themselves, which materially reduces the petitioners' costs. Since lower rates will have to be charged for this class of business, the practical effect of the Secretary's rates will be a reduction somewhat greater than the 20.68 per cent as here calculated. The impounding records for the period April 19 to May 31, 1934, show that the net reduction which would be caused by the Secretary's rates amounts to 22.41 per cent. That difference for the period up to May 31st [fol. 247] shows a net reduction, that is, the net difference between the over and under charges of 22.41 per cent.

Referring to Petitioners' Exhibit 1 at the left under the column, "Name of Firm", there appears the name of each petitioner firm. Following the first name, Adams, Corrick & Hatch, I read and interpret that horizontal line from the left end to the right end, and then any of us afterwards can read the whole document. The first group of columns under the heading of "Analysis of consignments and Secretary's commissions" contain the classification observed in the Secretary's order which under the head of "Cattle" are three-weight classifications, light, medium and heavy. Second, we have the classification "Calves", and further on "Swine", subdivided between pigs and hogs, and then sheep, and the two next columns covering extra charges,—the one column providing for extra drafts and the other for extra checks and account sales. The last column under that general heading represents the total commissions, each rate classification or each species having a column showing the amount of commissions applicable to it.

For instance, under the head of "Light Cattle" Adams, Corrick and Hatch handled 816 head, and the Secretary's commissions would have amounted to $448.50. Under the head of "Medium Cattle" the same firm handled 2540 head [fol. 248] for which commissions of $1,573.40 would have been charged according to the Secretary's rates. In the same manner each other classification has been priced out according to the Secretary's rates, with the result that Adams, Corrick and Hatch would have collected a total of

$6,357.71 selling commissions during the first four months of 1934.

The next group of columns shows what the actual commissions charged or the present commissions amounted to, which were $8,157.83, or the regular commissions, $52.40 for extra drafts and $67.10 for prorating and extra account sales,—a total of $8,277.33. This amount, when compared with the total commissions under the Secretary's rates, shows that the present rates involve overcharges of $1,967.04 and undercharges of $47.42. This makes a difference of $1,919.62 or 23.06 per cent.

In the vertical column headed "Present commissions" under the sub-head "Extra charges" we find "For drafts and prorating and A.S".

The charge for prorating is 25 cents, with a minimum charge of $1.00 and a maximum charge of $2.50. The charge for drafts, extra drafts, over three per consignment, is 15 cents each, with a maximum charge of $2.00.

I read from the rates now in force under the title "Extra Services": "Drafts. 1. Single Ownership. When requested or necessary to grade or sort car lots of livestock [fol. 249] of single ownership into market grades and classes, a charge of 15 cents shall be made for each draft over three drafts per deck—each draft to be represented by a separate scale ticket. Maximum charge $2.00". I think it was brought out in the record this morning that a "Draft" represents the unit of sale; that is to say, a carload of livestock may have to be sorted into several lots and sold in those lots and weighed in those lots. Each lot is considered a separate draft. This provision in the tariff provides an extra charge for the additional drafts over three. Some of the cars are double-decked. Sheep and hogs come in double-decked cars.

I turn to Petitioners' Exhibit No. 2. It is entitled, "Statement of commissions, costs and profits or loss under present commission rates as compared with rates under Secretary's order dated March 12, 1934." The basic figures for the year 1932 were taken from Petitioners' cost and statistical studies presented by me, at hearings before the Secretary. Those for the year 1933 were taken from annual reports rendered by Petitioners to the Secretary according to his instructions and on a form known as his P. & S. 3 Report. Those are the annual reports of the Petitioners to the Secretary of Agriculture. Those for the

year 1934 were taken from special reports prepared under my supervision by the office organizations of the petitioners and on a form like that used by the Secretary in his P. & S. 3 Report, the same methods being employed.

[fol. 250] The P. & S.-3 Reports for 1933 and the similar special reports for the first four months of 1934 show the commissions and expenses subdivided as between operating and non-operating, the latter covering such activities as the loan business sometimes conducted in conjunction with the commission business, the management of farms, feed lots, et cetera.

In all cases for these two years, as well as for the year 1932, all non-operating expenses and income were eliminated so that the costs and commissions as shown on this schedule pertain to the expenses and income applying only to the commission business. In addition to expenses so classified as non-operating, wherever an owner or an employe devoted part of his time to a non-operating activity a proportionate part of his salary was eliminated from the commission business expenses. This accounting practice has insured proper comparisons.

By numbering the columns on this schedule from 1 to 27, commencing with that for "Name of firm", my explanations will be facilitated. Columns 1 and 2 are self-explanatory, that is, the first one is the name of the firm and the second is the year. The number of head shown in column 3 covers all species, namely, cattle, calves, hogs and sheep.

Cost studies submitted appearing in this case before the Secretary were refined by the use of actual-time studies, and so forth, so that each of these three species could be [fol. 251] dealt with separately; but for the years 1933 and 1934 the figures were not so refined. Therefore, the combined results are used on this schedule for all three years. The commissions have been handled in the same manner so that comparisons are proper.

Column No. 4 shows the total actual commissions under present rates, and by dividing that amount by the number of head shown in column 3 the actual commissions per head were arrived at for column 5. Column 6 shows the per cent of Secretary's commissions to the actual or present commissions. The percentage for the respective firms were arrived at by deducting the percentage shown on Exhibit 1 from 100 per cent. In those cases where account sales had

been destroyed and percentages of reductions were not available the market average per cent was used.

The amount of commissions which would have been charged under the Secretary's order as shown in column 7 were arrived at by applying the percentages in column 6 to the amount of actual or present commissions shown in column 4.

It will be noted that the same percentages have been applied to all three years because the same commission rates which were in effect during 1934 were also in effect during 1932 and 1933.

[fol. 252] The commissions per head shown in column 8 are the result of dividing column 7 by column 3.

In columns 9 to 15 the petitioners' costs are shown, both including and excluding salary appraisal adjustments.

Salary appraisal adjustments were made in the case of owners only, and in those cases because approximately 29 per cent of all the owners failed to carry themselves on the books at any salary whatsoever, while many others carried themselves at mere nominal salaries or drawing accounts which were not intended to express their worth. With these omissions, costs would have been hopelessly incomplete and misleading. Therefore, an appraisal committee determined upon salary ratings which represented the value of the owner's services, and salary appraisal adjustments were made accordingly. In cases of omitted salaries the Government accountant in his costs and statistical studies substituted the owner's profits, if any, for salaries in arriving at costs, and this accounts for the fact that these complete omissions are not so apparent on the schedule, although the amounts clearly indicate that they are grossly inadequate.

Going back to the beginning of this group of columns, column No. 9 shows the salaries of owners before appraisal adjustments were made, including profits where profits were substituted for salaries. Column 10 shows the sal-

[fol. 253] aries of employees and all other expenses. Column 11 shows the total cost before salary appraisal adjustments were made, and by dividing the number of head shown in column 3 into the amount shown in column 11 I arrived at the cost per head, excluding appraisals.

Column 13 shows the amount of adjustments which were made in order that the cost might be complete with respect to owner's salaries.

For the year 1934, where but four months' results are shown, the amount of appraisal adjustments were correspondingly reduced.

Consideration was also given to changes in ownership during the three periods covered by this schedule.

Column 14 is the total of columns 11 and 13 and represents the total cost, including salary appraisal adjustments.

The cost per head shown in column 15 is the result of dividing column 14 by column 3.

In the next group of columns under "Profit or Loss," the results have been stated in four different ways so that consideration could be given from every viewpoint.

The results based on present commissions have been shown both including and excluding the salary appraisal adjustments, and the same is true of the results based on [fol. 254] the Secretary's commissions.

Results have been shown to both include and exclude the salary appraisal adjustments because one might otherwise get an exaggerated impression of the effect of these adjustments on costs and profits and losses.

It will be noted that the effect of these adjustments doesn't greatly disturb the market or average results, but that they do rectify what would otherwise have been seriously irregular costs in the cases of the individual firms affected.

Going back to the beginning of this group of columns we have column 16 which shows the total profit or loss based on present commissions, excluding appraisal adjustments. This amount is the difference between columns 4 and 11.

The profit or loss per head shown in column 17 was arrived at by dividing column 16 by column 3, or it could be arrived at by taking the difference between column 5 and column 12.

The percent of profit or loss shown in column 18 was determined by dividing column 11 into 16.

Column 19 shows the total profit or loss based on present commissions, including appraisal adjustments. This amount is the difference between columns 4 and 14.

Profit or loss per head shown in column 20 was arrived at by dividing column 19 by column 3, or it could have been [fol. 255] determined by taking the difference between columns 5 and 15.

The percent of profit or loss shown in column 21 was determined by dividing column 14 into 19.

Column 22 shows the total profit or loss based on the Secretary's rates, excluding appraisal adjustments. This amount is the difference between columns 7 and 11.

The profit or loss per head shown in column 23 was arrived at by dividing column 22 by column 3, or it could have been determined by taking the difference between columns 7 and 12.

The percentage of profit or loss shown in column 24 was determined by dividing column 11 into column 22.

Column 25 shows the total profit or loss based on the Secretary's rates, including appraisal adjustments. This amount is the difference between columns 7 and 14.

The profit or loss per head shown in column 26 was arrived at by dividing column 25 by column 3, or could have been arrived at by taking the difference between columns 7 and 15.

The percent of profit or loss shown in column 27 was determined by dividing column 14 into column 25. A discrepancy in figures appears in some instances between Petitioners' Exhibit No. 1 and Petitioners' Exhibit No. 2 with respect to the amount of commissions. In the first place, there is no occasion for having an agreement between [fol. 256] those two exhibits in that respect because Exhibit 1 is merely an analysis of the current volume available, and as long as the volume available was sufficient to be representative of the effect of the Secretary's rates it made little or no difference whether it was 50, 60, 70, 80, 90 or 100 per cent complete. However, in the preparation of Exhibit No. 2 the commissions represent the entire volume as booked for the period, except where the records were destroyed by the fire.

On Exhibit No. 2, profit and loss schedule, in the second horizontal line, Adams, Corrick and Hatch, for the first four months of 1934 commissions are given as $6,364.00 in column 7.

On Exhibit No. 1 we find the commissions for the same firm for the same period $6,405.75. That is in the total column under analysis of consignments and Secretary's commissions. To explain that difference—the amount shown on Exhibit No. 1 is the sum total of all of the accounts sales analyzed during the first four months of 1934. The amount

shown on Exhibit 2 represents the commissions, the total commissions, as would have been booked for that period under the Secretary's rates.

I might add in this connection that some of the differences between the two figures now in question are caused by the fire destroying some of the records before the analysis was completed, and other differences were caused by the fire [fol. 257] destroying the records before the two figures could be reconciled; but, as I previously stated, there is no reason why the two figures should agree for the reason that Exhibit No. 1 is an entirely independent statement designed merely to determine what the percentage of reduction under the Secretary's rates was, and whether the complete volume was taken or not, as long as the volume was sufficient to be representative of the effect of the rates, any slight differences between these two sets of figures would have no meaning whatsoever.

Petitioner's Exhibit 3 consists of three sheets. Sheet 1 covers the year 1932, sheet 2 the year 1933 and sheet 3 the first four months of 1934.

The costs per head used for this schedule were taken from the Secretary's order dated January 8, 1934. The object of this schedule is to develop the Secretary's weighted average cost per head for all species combined, but separately for each petitioner, in order that comparison may be had with the petitioner's actual costs and indicating the extent to which his costs are inefficient. The number of head of each of the three different species handled by each firm has been shown. To these amounts the Secretary's reasonable costs per head as shown in the upper left hand corner of the exhibit have been applied and the Secretary's reasonable costs shown.

By cross-footing the number of head and the Secretary's reasonable costs for the three species, the number of head and the Secretary's costs for all species was arrived at [fol. 258] and shown.

Following this the Secretary's weighted average reasonable cost per head was determined for all species combined, by dividing the number of head into the Secretary's costs.

It will be noticed that this procedure develops a different cost per head for all species combined, in the case of each petitioner, because each species has a different unit cost, and the weight of volume in each case governs the level of the weighted average.

Furthermore, because the petitioners weighted average cost was arrived at in the same manner, the two unit costs are comparable.

These comparisons are to be presented in the form of a graphic chart. Now, as to how these figures were determined in the case of an individual firm, we can take firm No. 1, which shows 1095 head of cattle and calves in the first figure column. This was multiplied by the Secretary's cost per head for cattle and calves, shown as 42.97 cents, which produced the Secretary's cost of $471 for the handling of this number of head of cattle and calves.

[fol. 259] Now, the same procedure was followed with respect to the 3805 head of hogs. On this the Secretary's cost was 13.23 cents. And it also applied to the 372 head of sheep. On this the Secretary's cost of 4.85 cents per head was applied.

The sum total of the number of head of all three species in the case of this firm was $5272., and the sum total of the Secretary's cost applicable thereto was $992., which resulted in the Secretary's cost per head for all species of 18.82 cents. The rest of the lines would be read in the same way.

Judge Alschuler: "This sheet has a hundred and eleven. How do you select them out of a total number of petitioners and plaintiffs? There are 160 or 170 complainants are there not?

"A. These are the firms known as commission firms. There is another group of firms known as order buyers who make up the difference between this number of firms and the total number."

In order to give you a thorough understanding of Exhibit No. 3, I would like to point out that although the unit costs as shown in the last column were based, in the case of each and every firm, on exactly the same unit cost for each specie that each one of those firms have a different average unit cost, and I will show you why that is by taking for illustration a firm who may handle one head of cattle at the Secretary's reasonable cost of 42.97 cents; one head of hogs at the Secretary's reasonable cost of 13.23 cents; and one head of sheep at the Secretary's unit cost [fol. 260] of 4.85 cents. The total costs for those three head would be 61.05 cents, and the average for those three yead would be 20.35 cents.

Now, if that same firm had handled two head of cattle, instead of one, and one head of hogs and one head of sheep, the average would have been 26 cents. And if that same firm had handled one head of cattle, one hog and two sheep, the average would have been 16.48 cents.

In other words, it is important, I think, all through the explanation of these exhibits to realize that the fluctuation in the unit cost of all species does not represent either efficiency of inefficiency, because in these cases we have dealt with precisely the same unit cost for all firms and for each different specie and yet we have arrived at a cost which fluctuates from 4.85 cents to 42.97 cents.

Nevertheless, it is proper to have those fluctuating average costs, inasmuch as they are properly comparable with commissions which have been developed on exactly the same basis. But I wanted to make this explanation so that you would understand that these fluctuations have nothing whatever to do with either efficiency or inefficiency.

Now, if we get back to just one specie, as for instance, cattle and calves, the same thing is true with respect to any one specie. That is to say that cattle and calves arrive in straight cars. They arrive as single ownerships. They [fol. 261] also arrive in straight cars, as plural ownerships, owned by more than one owner. It costs more, of course, to handle plural ownership consignments than it does to handle single ownership consignments.

Then, we have another class of receipts known as mixed singles, which means that there is more than one specie in the car, but owned by one owner. Then we have a class of business known as mixed plurals, meaning that there is more than one specie in the car, but owned by more than one owner. It costs more to handle mixed cars than it does to handle straight cars. In the case of cattle and calves, 53.94 per cent of those cars are straight singles; 15.25 per cent are straight plurals; 2.37 per cent are mixed singles; 3.86 per cent are mixed plurals; 13.16 per cent are drive-ins; that class of business which is trucked in; and 11.42 per cent are seconds, which mean that class of business sold for speculators who operate locally in the Yards. Those figures are for 1932.

Now, as I started to explain, it costs more to handle a mixed shipment than it does a straight shipment. It costs more to handle a drive-in than it does where you have a straight or mixed shipment with the possible exception of

some mixed plural ownerships, where many owners are in the car.

[fol. 262] "Judge Alschuler: So that causes that many more sales?

The Witness: A. Yes, causes that many more sales, exactly, and because the shipment must be broken up into more units in order to be sold and in order to be weighed, and otherwise handled through the Yards separately."

Each shipment must be separate, each package, that is to say, each draft, or each sales unit. If there is a car and one man has a third and you have a third and the other third belongs to another man, when that car is empty, the broker must divide it up into separate lots that represent the owners and classes. And it is weighed separately, so that you will get what was received for your particular animals as compared with what someone else gets for his animals; although they were in the same car when they arrived. The broker has charge of it from the time it is received in the Yards until the time it is sold and passed over the scale to the packer.

Now, because of the plural ownerships and the necessity for breaking the shipment into many parts, it costs more to handle the plural ownership than it does the single ownership, and in the case of mixed cars, even though they may be single ownership, it costs more to handle them than it does a straight, because of the different species having to be separated and handled separately.

[fol. 263] "Judge Alschuler:

Q. Did the Secretary take that into consideration?

A. Apparently, he has not, in this reasonable cost because he only gives us one cost on all kinds of shipments of cattle and calves.

Q. Yes, but in fixing that one cost did he have evidence before him on the subject of plurality of owners, on quality and on class; that is, these things to which you have referred?

A. Yes. Information as to the extent to which the varying kinds of shipments were received was in the record.

Q. Well, does he refer to that in his opinion, or is it just the term that is taken, or is it from the result that you think he did not take that into consideration?

A. There is no explanation in the order to indicate how he arrived at this cost of 42.97 cents for cattle and calves.

Judge Alschuler. Very well."

Whether he took these things into consideration or not, I do not know, but I do know that these conditions underlying the costs do exist and are reasons why one class of business costs more to handle than another class of business.

"Mr. Berge: But, in the Secretary's order attached to the exhibit to the complaint this subject is discussed at some length. And a charge is set forth here which is in the order and is based on the evidence of the record which dealt with this very subject.

The Witness: What page is that on?

Mr. Berge: Page 64, opposite Page 64 of the printed petition. I do not mean to analyze the charge, but merely as it bears on the question of whether the Secretary considered it or not.

[fol. 264] Mr. Haight: Our position is that the Secretary discussed many things in the order and had many things before him on the record that find no reflection whatever in the result and that is one of the things we are complaining of.

Judge Alschuler: That is another question."

Now, in the same way that the unit cost of the various firms for all species will fluctuate on account of the varying costs of the different species and the varying volume of the different species handled, so will the cost for cattle and calves alone fluctuate, because of the varying volumes of straight car singles, straight car plurals, mixed singles, mixed plurals, and drive-ins and cause the unit cost to fluctuate. And when that cause does operate, it is obvious that the fluctuation in the cost does not have anything whatever to do with either inefficiency or efficiency.

So that in observing the fluctuations in the costs shown in these exhibits, it must be considered that to whatever extent those fluctuations arise out of varying amounts of different classes of business handled, that it has no meaning whatever insofar as efficiency and inefficiency is concerned.

Now if we will take any one class of business for any one species and consider in the same way, as for instance, straight car singles, we will find that exactly that same condition exists further back in the operation.

[fol. 265] If we receive a straight car of cattle consisting of twenty head and that entire car is handled through the Yards and sold and weighed as one unit, the cost of handling it is not nearly as great as though that same car had to be broken up into several different units, at the request of the buyer or because there were different grades of cattle in that shipment.

So that even when we boil the cost down to what is recognized as the smallest unit, that is, one specie and mode of arrival and one ownership, we still have influences that operate within that unit which will cause fluctuations in the unit cost which have nothing whatever to do either with efficiency or inefficiency.

And so this explanation, I believe, will indicate that the unit cost as developed in these records must be considered from a somewhat different standpoint than unit costs in the ordinary manufacturing or other business.

In order to judge costs we must not only weigh the number of head of each specie and we must not only weigh the classification of the arrivals of the business under each specie, but we must also consider the number of bunches in which this livestock must be broken up, and the size of those bunches, in order to arrive at any reasonable conclusions as to efficiency or inefficiency in the unit cost.

[fol. 266] In addition to the number of bunches a different shipment may be broken up into, the costs are influenced by the size of the bunches which a shipment is broken up into. If a shipment of twenty head is broken up into two bunches of ten head each, then the cost will be influenced according to the cost of handling a bunch of ten head, but if the shipment is broken up into a bunch of five head and another bunch of fifteen head, different cost factors are involved and influence the cost of handling that shipment, because, in many respects, it costs as much to handle five head as it does to handle fifteen head. Fifteen head can often be driven down the alley from the receiving docks to the sales pen for the same cost as five head could be driven down that same alley. There would be no difference in cost at all in such cases. Therefore, the cost of handling a

consignment, irrespective of the mode of arrival is greatly influenced by the number of bunches into which it is broken up and the size of those bunches.

There are certain pens allotted to each commission firm and they sort the livestock into those pens. Where the shipment is large enough and there are enough pens, they will, and as a general practice, they would have a separate pen for each owner. The livestock in a given pen does not represent the unit of sale. Several pens may be sold together, or one pen may be broken up into fifteen or twenty parts before it is sold. When it comes to weighing, then you have to get the weight of each shippers' stock separately [fol. 267] and each sale separately. And each sale made for that shipper separately. The shipper may have twenty head of cattle and the commission man may have to make ten or fifteen sales in order to dispose of it. Those ten or fifteen sales must be weighed separately.

Petitioners' Exhibit 4 is entitled "The cost per head for the year 1932, including salary appraisal adjustments, as compared with the commissions per head for the year 1932 under the Secretary's rates." This chart was prepared for the purpose of comparing the petitioners' costs per head with the commissions per head under the Secretary's rates. There are three sheets in this exhibit—the first one covering the year 1932, the second one the year 1933, and the third the year 1934. The figures in the column to the extreme right and the other column to the extreme left which run up from 0 to 100 indicate the cents per head. The numbers across the top of the chart and also the bottom refer to the various commission agencies. Those are the same numbers that were used through the proceedings before the Secretary to indicate the various commission houses here involved, with the exception that certain firms have entered the business since then, and in these years 1933 and '34 additional numbers have been given to the new firms.

Some of them quit also, and in those cases the columns have been left vacant. The identity of the firms so numbered may be found in the first two columns on schedule [fol. 268] No. 7, Exhibit 2; for brevity they were not repeated on this chart.

The heavy line which will be found for the most part at the upper section of the dense area on this chart represents the Petitioner's cost per head, including salary ap-

praisal adjustments. The light line, which for the most part will be found at the bottom of the dense area, represents the Secretary's commissions per head. Therefore, the dense area between these two lines represents the Petitioner's loss which would be experienced under the Secretary's rates.

For example, firm No. 1 had a unit cost during the year 1932 or 63.77 cents, whereas the Secretary's rates would allow that firm commissions of 27.24 cents. The line, the heavy line at the top, you will note runs opposite the 63 or 64 cent line, while the light line at the bottom runs just above the 27 cent line. The same explanation follows with all of the firms. In the case of No. 3 the Petitioner's cost was 35.02 cents during 1932. That is where the heavy line strikes the center of No. 3 column and the light line strikes the center—In fact, the point of the light line is in the center of No. 3 column, showing the Secretary's commissions to be 33.87 cents.

"Judge Alschuler: Then take No. 57. They don't have much of any cost at all. It gets way down below 10 cents, or possibly more; 11 cents.

A. No. 57 is a firm specializing in the handling of sheep, and its unit cost is, therefore, very low.

Judge Alschuler: Well, I thought these were computed [fol. 269] on all heads together.

A. All heads together.

Judge Alschuler: If one commission firm handles sheep and cattle, it is the sum of the cattle and the sheep?

A. Exactly.

Judge Alschuler: We would have to go back then and look that up and see how that happened; to see how relatively and to what extent they are on the same basis here?"

That is exactly why I made my explanation awhile ago that you would have to consider the weight of volume of the different species, and then after doing that you would have to consider the modes of arrival under each specie, and after doing that you would have to consider the size and number of packages in which those various arrivals were shown in order to be able to judge efficiency or inefficiency. And where costs go down very low my conclusion generally would be that that would indicate those firms

who handle livestock that can be handled more cheaply, such as sheep and hogs.

There are a few firms as will be noted on this chart where the heavy line indicating cost runs beyond $1, and in those cases the figure entered at the top of the line indicates where it would have stopped if the chart had been extended. Those are cases of very small firms whose volume has been depleted for various reasons, perhaps direct buying, and so forth, and the owner is still endeavoring to hang onto [fol. 270] his business, having spent his lifetime in it, with the result that he is unable to make a proper cost on the small volume that he handles. That subject will be taken up by me later, and those firms will be dealt with separately. All of the figures represented by the lines on this chart are shown on Petitioner's Exhibit 2.

Petitioners' Exhibit 5 for identification shows in graphic form the cost per head, including salary appraisal adjustments, as compared with the Secretary's reasonable cost per head. The first sheet covers the year 1932, the second sheet the year 1933 and the third sheet the year 1934.

The heavy line usually to be found at the top of the dense area represents the Petitioner's actual cost. The light line usually to be found at the bottom of the dense area represents the Secretary's reasonable cost.

The figures supporting the heavy lines were taken from Petitioners' Exhibit 2, and the figures representing the light lines were taken from schedule Petitioners' Exhibit 3.

The dense area between the dark or the heavy and the light line represents the extent to which the various petitioners would have to reduce their costs in order to meet the Secretary's reasonable cost.

For example, firm No. 1 has a cost per head of 63.77 cents [fol. 271] as indicated by the fact that the heavy line stops just under 64 cents, while the costs found reasonable by the Secretary for that firm would be 18.22 cents as indicated by the light line which stops just under 19 cents. The Secretary finds that the reasonable cost for cattle and calves is 42.97 cents, for hogs 13.23 cents and for sheep 4.85 cents. When those costs are applied to the volume of the various species handled by firm No. 1 it produces an average cost for that firm of 18.82 cents. That includes all three species, the average of things.

"Judge Barnes: Q. The black line on Exhibit 5 is the same as the black line on 4?

A. Exactly, because the heavy black line on both charts has to do with the petitioner's actual costs. The comparison indicated by the light line, however, is different in each case. In other words, Exhibit No. 4 compares the actual cost with the commissions per head, while Exhibit No. 5 compares the actual cost with the Secretary's reasonable cost, so that the black line in both instances would be the same?"

The gaps on sheet 3 of Exhibit 5 represent firms that were out of business during 1934 or whose records were destroyed by fire before we could make up these exhibits, and the explanation that applies to each one of them will be found either on Exhibit 1 or Exhibit 2 adjacent to the name of the firm.

Petitioners' Exhibit No. 6 is entitled "Per cent of profit or loss under present rates, including salary appraisal adjustments, as compared with the per cent of profit or loss under the Secretary's rates for the year 1932" on the first [fol. 272] sheet, 1933 on the second sheet, and 1934 on the third sheet of said exhibit.

On this chart the heavy line indicates the per cent of profit or loss under present rates and the light line indicates the per cent of profit or loss which would be experienced under the Secretary's rates. The dense area between these two lines indicate the reductions caused or which would be caused by the Secretary's rates on the same amount of business. The first sheet refers to the year 1932, and the application of the Secretary's rates has been made on exactly the same volume as was actually delivered during that year.

It will be noticed in the case of firm No. 2, for example, that although this firm during the year 1932 handled 72209 head of livestock, which is a very sizeable business, it nevertheless lost 9.33 per cent in its operations for that year. The loss is based on the amount of the firm's expenses. For instance, if the firm spent $100,000 and the commissions only amounted to $80,000 there would be a loss of 20 per cent.

Now, in the case of this particular firm for the year in question, 1932, they spent $28,163.00 in the handling of

business on which they were paid commissions of only $25,534, creating a loss of $2,629, or 9.33 per cent. Now, under the Secretary's rates instead of receiving $25,534 for hand- [fol. 273] ling that same amount of business they would have received only $19,646, and, therefore, they would have experienced a loss of $8,517 or 30.24 per cent instead of 9.33 per cent. In other words, a loss which was already bad would have been made considerably worse.

In the case of firm No. 4 they handled a still larger business, a much larger business—384,023 head of livestock—during the year 1932, made a profit during that year of 12.86 per cent, but under the Secretary's rates there would have been a loss of 9.81 per cent. That same firm for the year 1933 did experience a loss of 1.12 per cent under the existing rates, but under the Secretary's rates the loss would have been 20.98 per cent. During the year 1934 they were more fortunate. They had a profit of 11.46 per cent, and the loss under the Secretary's rates would only have been 10.93 per cent.

In the case of firm No. 6, another firm doing a sizeable business, handling 116,027 head of livestock, it experienced a loss during 1932 of 18.79 per cent, but if the Secretary's rates had been in effect during that year the loss would have been 31.48 per cent. During 1933 that same firm had a loss of 9.79 per cent, but under the Secretary's rates the loss would have been 23.89 per cent. During 1934 that same firm had a loss of 7.05 per cent, but under the Secretary's rates it would have been 21.58 per cent.

[fol. 274] The comparisons are made on exactly the same volume of business. The volume of business during the three periods changed slightly. For instance, during 1932 this firm handled 116,027 head of livestock, during 1933 it handled 112,764 head, and during the first four months of 1934 it handled a proportionate amount—36,075 head.

"Judge Alschuler: Q. Yes, but how about the expenses? Have they differed during these years?

A. The expenses have differed, yes, sir. This firm in question, No. 6, had expenses during 1932 of $50,807. During 1933, with slightly less business, their expenses were $48,225, and during the first four months of 1934 their expenses were a proportionate amount—$14,600.

Judge Alschuler: Q. So if they lost in one year they would

probably lose in the other, and if they gained in one year they would probably gain in the same proportion in the other.

A. On the same volume of business, yes, sir. Of course, if the volume of business falls or rises, the situation may change.

Judge Alschuler: Q. It may, yes; but expenses may be less.

A. Yes, sir."

Now, I would like to give you some idea as to what it means to handle 112,764 head of livestock. For firm No. 6 the amount of money involved in the handling of that amount of livestock for the year 1933 was $1,868,243.23. In [fol. 275] other words, this firm, who lost 9.79 per cent on their business for the year 1933, and who would have lost 23.89 per cent under the Secretary's rates, actually handled for farmers nearly two million dollars of livestock, and, since they operated at a loss, it may be said that they paid the farmers for handling it, for allowing them to handle it for them. For the year 1933 gross expense was $48,225 and for the same year the actual commissions were $43,506, and the Secretary's commissions would have been $36,706.

The source of the information from which this graphic chart, Petitioners' Exhibit 6 is Exhibit 2. On Petitioners' Exhibit 6 on the third sheet thereof dealing with the year 1934, a dotted black area appears at the right below the zero line. That is the result for all of the firms combined.

"Judge Alschuler: Q. That is they were below the profit line in all those years under the old rate, all combined?

A. That is correct. The actual results for the first four months of 1934, as shown by Exhibit No. 2 is that they lost, all firms combined, lost 1.12 per cent, whereas under the Secretary's rates the loss would have been 21.66 per cent."

In the case of firm No. 18, which is one of the largest firms operating on this market, and which is also one of the largest firms operating on ten or twelve other markets, and is known to be a very highly efficient firm, during the year 1932 it made a profit of 26.81 per cent, but under the Sec- [fol. 276] retary's rates it would have experienced a loss of 2.09 per cent. Similar reductions would have been experienced for the other years, for 1933 and the first four months of 1934.

"Judge Alschuler: Q. I want to get that right. When you say they made a profit of 20 per cent—that is, 20 per cent of what they took in was profit——

A. Their income was 20 per cent or 26.81 per cent more than their expenses."

In this particular firm their expenses were $141,612.00, and the Secretary's commissions would have been $138,-654.00. Now the difference between those two figures, or the amount which the expenses exceeded the income, was $2,958.00 which represent 2.09 per cent.

In this business the matter of investment is of very little consequence. About the only thing they have is furniture and fixtures and working capital. Therefore, percentages are not applicable to investment. In any event and really in any business the percent of profit is worked out on exactly the same basis we worked it out here. You may have statistics showing what your percentage of profit is to your investment, but in Wall Street the percentage of profit means just what it means here. It means the profit made on the cost of sales.

In the case of firm No. 19, which firm handled 135,485 head of livestock during 1932, it experienced a loss during [fol. 277] that year of 24.86 per cent, but under the Secretary's rates that loss would have been 40.73 per cent. In 1933 that same firm experienced a loss of 23.35 per cent, whereas under the Secretary's rates the loss would have been 39.54 per cent. During the first four months of 1934 it experienced a loss of 23.01 per cent, whereas under the Secretary's rates the loss would have been 39.27 per cent. The value of the livestock handled by that firm was approximately two million dollars, and after handling that much livestock for shippers they experienced the losses which I have indicated, and would have experienced much greater losses under the Secretary's rates.

In the case of firm No. 18 during the year 1933 they handled 873,558 head of livestock, valued at $11,657,551.49. Their result during 1933 was a considerable profit, and would still have been a profit under the Secretary's rates, but during 1932 and the first four months of 1934 there would have been a loss in both periods under the Secretary's rates in spite of the fact that they handled over $11,-000,000 worth of business for shippers.

"Judge Alschuler: Q. Do you find in these charts concerns doing substantially the same kind of business and substantially in the same amounts any very substantial difference in the result of their business for the several years? I mean so far as profit and loss are concerned.

[fol. 278] A. Your Honor, there are no two firms operating on this market whose business can be said to be similar. There are variations between the different species which make it practically impossible to compare one firm with another; but taking the cost separately for each specie, as was done for the year 1932 in the record, we can get some comparison, provided the factors that exist to disturb the comparison are sought out and given consideration, but in order to uncover these dist*ru*bing elements it is necessary to make a very thorough examination of the operations of this firm on the ground, and it cannot be done from a distance. In other words, figures alone will not point to the influence of these varying factors which operate to throw one firm out of comparison with another.

In the case of firm No. 21, and I might say, your Honor, that I do not like to make a long story of this, but I think it is important that the record indicate that these conditions are not conditions that apply to a few firms. They apply practically all the way through to all the firms. There are so few exceptions that I feel that if I neglected to mention enough of these cases to indicate that, that the condition is general, that it might be felt that it was only spotty; and so I would like to mention some more of these cases."

Firm No. 21 handled during the year 1932 177,252 head of livestock. They had expenses of $73,290.00 and they had an actual income of $63,721.00, creating a loss of $9,569 or 13.06 per cent. Under the Secretary's rates the income would have been reduced from $63,721 to $50,543, which would have increased the loss to $22,747 and made it 31.04 per cent instead of 13.06 per cent. In the year 1933 this same firm handled a slightly lower volume of business—154,809 head—and experienced a loss of 9.70 per cent, but [fol. 279] under the Secretary's rates the loss would have been 28.38 per cent.

"Judge Alschuler: Q. Pardon me just a moment. Take that firm: Did you trace that back to see whether during the course of the years, five, six or eight years, there has

been a substantial reduction of their total business or whether that has been about the volume of it for years back?

A. Firm by firm I did not, but for the market as a whole I did. As a general rule, the trend of the market follows, with few exceptions, in the case of individual firms. There are a few firms that will break away and will be able to get more business in spite of others having a decrease; but very few.

Judge Alschuler: Q. Whether this was one of them you do not know?

A. No, sir, I am not prepared——

Judge Alschuler: The thought I had was this: Whether in all these years with the same income, for the rate has been this since when?

Mr. Haight: 1923.

Judge Alschuler: Then the rate has been the same.

The Witness: Since 1923.

Judge Alschuler: On a substantially similar volume of business, unless there is a difference in the expense, they have been losing this large sum of money annually right along.

The Witness: Well, let us take this one firm and trace it through a period of years. As I say, I do not know offhand what the situation was, but I can tell you very readily. In the year 1931 this firm handled 173,755 head of livestock and its expenses amounted to $73,714.00. In the year 1932 that firm handled 177,252 head of livestock, slightly more than in 1931, and its expense amounted to $73,290.

Judge Alschuler: Q. Substantially the same, wasn't it?

[fol. 280] A. Substantially the same.

Judge Alschuler: Q. Then the loss would have been about the same?

A. Yes, sir.

Judge Alschuler: Q. In 1931.

A. Yes, sir.

Judge Alschuler: Q. And following all the way back, where those figures are substantially the same there would be the same loss?

A. Yes, sir.

Judge Alschuler: Q. Unless the expenses were less.

A. Yes, sir, that is correct.

Judge Alschuler: I was wondering for how many years back they had been undergoing that rate of loss. If that

is at all typical, it would be at least an extraordinary state of affairs, where there has been a comparatively certain loss for many years, that a firm would or could continue in business. Well, that is a matter of argument, perhaps.

The Witness: The receipts on the market in 1923 of all three species amounted to eighteen million four hundred and seventy-five thousand——

Judge Alschuler: You are giving us the whole now?

The Witness: The whole market."

In the case of firm No. 22 it also handled a sizeable business—146,529 head of livestock, valued at $1,709,097.74 and a loss of 18.41 per cent was experienced during that year 1932, whereas under the Secretary's rates the loss would have been 33.12 per cent. There were three owners in that particular firm. This same firm handled a slightly lower volume of business in 1933—134,011 head,—and experi- [fol. 281] enced a loss of 19.69 per cent, which would have been 34.17 per cent under the Secretary's rates. During the first four months of 1934 the loss was 18.81 per cent, and under the Secretary's rates it would have been 33.45 per cent.

In the case of firm No. 33 which handled 147,598 head of livestock during 1932 they experienced a loss of 6.60 per cent, whereas under the Secretary's rates the loss would have been 24.94 per cent. During the year 1933 this firm had a slightly increased volume of business and made a profit of 3.74 per cent, which under the Secretary's rates would have been a loss of 16.63 per cent. During the first four months of 1934 it also had an increase in volume, resulting in a further profit of 9.35 per cent, which under the Secretary's rates would have been converted into a loss of 12.12 per cent.

In the case of firm No. 37 it handled 88,036 head of live stock, and a loss of 34.58 per cent was experienced during 1932, which under the Secretary's rates would have been a loss of 48.11 per cent; and that firm has a very sizeable business which certainly warrants it being in business. The livestock it handled during the year was worth nearly $900,000. During the year 1933 that same firm handled a slightly lower volume—86,587 head, had an actual loss of 27.51 per cent, which under the Secretary's rates would have been a loss of 42.50 per cent.

"Judge Wilkerson: Do I understand that before the [fol. 282] Secretary there was any contention made as to the result of the rates as prescribed by the Secretary? They would be substantially as stated here, provided the operating expenses remained the same. The point in the Secretary's order, as I understand it, was that the operating expenses were too high, that the salaries should be cut down and that certain operating expenses should be eliminated. It is perfectly obvious that if salaries remain the same and the operating expenses remain the same that these results will follow in a general way.

Mr. Berge: There is just one added factor, your Honor, which isn't, we think, being properly stressed by Mr. Mudd, and that is the effect which the salary appraisal has in these computations. The salary appraisal——

Judge Wilkerson: I understand. They put in a salary for the owner.

Mr. Berge: Which wasn't in fact paid.

Mr. Haight: We have computations here both ways. We have covered it all.

Judge Wilkerson: I am speaking just so far as the charges and the figures are concerned. If you admit the salary appraisals and admit the expenses as they are now charged, of course there would be these losses if the Secretary's rates were put into effect.

Mr. Berge: Precisely, with the added thought that the salary appraisal is not expense. It is nothing, for it is padding.

Judge Alschuler: That is one of the questions in the case.

Mr. Haight: Yes.

Mr. Berge: I think there is no dispute over the fact that the salary——

Judge Wilkerson: It occurs to me there is no dispute about the facts here. I mean there may be in minor particulars, but essentially the result of these rates will be [fol. 283] as they claim, provided their expenses remain the same and their salaries remain the same and they are allowed to put in this salary appraisal for the owner.

Mr. Berge: As a general proposition, we concede they would have to alter their way of doing business drastically; many of them will.

Mr. Haight: The situation is very much clarified when

counsel for the Government tells us, as he has just now, that if we postulate one of the owners should get something for his services, to say nothing as profit, that is to be denominated as padding which is a very clarifying remark as to the Government's position.

Mr. Berge: Of course, that isn't my position."

Your Honor, there were two classes of expenses included in the costs which were not actually paid out. One was insurance premiums and the other was this salary appraisal adjustment. Now, in the case of insurance premiums some of the firms carried no insurance at all. Others carried part coverage. The Government in prior cases resisted the inclusion of insurance accruals, but in this case conceded that they should be included as expense, and they themselves did include them as expense, although they were not paid out. Now, the same thing exists as far as the salary appraisals are concerned. If an owner did not carry himself at any salary we must put in something that indicates his worth in order that costs are properly stated and that they are properly comparable with the commissions that he receives, and in this case 29 per cent of the owners did not carry themselves at any salary whatever. [fol. 284] The proper method of comparing costs with commissions is to include the owner's worth in the cost; but because there has throughout the hearing in this case been expressions concerning the amount of these appraisal adjustments which might indicate that they amounted to more than they do and have a greater influence than they do on the cost and on the profits or losses, in Exhibit 2, I stated the situation both ways. You will notice that in the fourth from the last column on Exhibit No. 2 I have stated the profit based on present commissions, excluding the appraisal and adjustments, and in the next column I have stated the profit based on present commissions including the appraisal adjustments. In the next column I have stated the profits based on the Secretary's rates, excluding appraisal adjustments, and in the fourth column the profits, still based on the Secretary's rates, but including salary appraisal adjustments; so that although the charts have not made all four comparisons, the full information is shown on Exhibit No. 2 in order that anyone who wants to know — the difference would have been if the appraisals had not been injected into the situation—

it is there for him to find. On the subsequent charts and graphs they are on the basis of the inclusion of salary appraisals. In weighing what effect those appraisals might have had or would have, it will be noted that excluding appraisals the profit for all firms during the year 1932 was 1.82 per cent, and including appraisals it was a loss of 9.51 per cent. Where we found that a man had not carried [fol. 285] himself at any salary we included an amount in the cost representing his salary. There were five witnesses who testified before the Secretary in respect to the fair worth, and that testimony of those five witnesses had been denominated the appraisals we have been talking about. Salary adjustments were made in the case of owners who did not carry themselves at any salary whatsoever. As to others where he simply carried himself at a nominal salary, knowing that at the end of the year he would get the profits anyhow—in other words, if I am the owner of a firm I know I am going to get all the money that comes out of that business anyhow. If I feel I can live on $100 a month, I will pay myself a salary of $100 a month, although I might not hire myself out.

The fact is that the appraisal adjustment, in addition to covering those cases where the owners did not carry themselves at any salary, also covered those cases where they were carried either at a nominal salary or at a drawing account. In some cases, these salaries were reduced under the appraisal. Where he carried himself at more than the appraisal committee considered him worth, we lowered his cost. Where he carried himself at a salary larger than the appraisal committee rated him at, his costs were correspondingly reduced.

[fol. 286] Turning now to Petitioners' Exhibit No. 7, it is entitled "Owners salaries, plus profit or less loss under present rates, as compared with owner's salaries, plus profit or less loss under Secretary's rates" for the year 1932 for the first sheet, 1933 for the second sheet and the first four months of 1934 for the third sheet. On this chart the supporting figures came from Exhibit No. 2.

The heavy line indicates the total number of dollars received by all of the owners of each firm, whether in the form of salary or profit or both. The light line indicates the total number of dollars they would have received under the Secretary's rates. The dense area indicates the effect of rate reductions.

As an example, let us take firm No. 2 for the year 1932 which is shown in sheet 1 of the chart. Under existing conditions during that year the owners of that firm received in salary and profits $9,871 as indicated by the fact that the heavy line runs up just under "10", and the "10" meaning 10,000. Under the Secretary's rates those same owners, and on the same business, would have received $3,983 as indicated by the light line. Now, that same firm for the year 1933, when it did only a slightly lesser amount of business, enabled the owners to receive in salary and profit $10,930, whereas under the Secretary's rates they would have received only $5,441. For the first four months [fol. 287] of 1934 they received $3,669, whereas under the Secretary's rates they would have received $1,766. There are three owners in that firm who under the Secretary's rates for 1932 would have received a total of $3,983.

"Judge Alschuler: Q. Three owners who devoted their entire time to the business?

A. Their entire time to the business, and all three of them would have received $3,983, an average of $1,327 for handling $1,071,076.87 worth of livestock for the producers."

In the case of firm number 4 the owners received in the form of salary and profit $54,136 during 1932. They got $28,398 salaries and they got $25,738 as profit.

During the year 1933 the owners of that firm received $38,334, whereas under the Secretary's rates they would have received $13,163. There are three owners in that firm, which means that they would receive an average of approximately $4,300 each; and that firm during 1933 handled livestock for shippers valued at $7,145,506.64.

In the case of firm No. 16, during 1932, the owners received in the form of salaries and profits or salary, less losses, $221.00. Under the Secretary's rates they would have received nothing, but have had to pay in $4,735. They [fol. 288] get actual commissions of $3923. They should have received, according to the appraisal, $11,297 more, which would have given them a total of $15,220, but this would have created a loss of $14,991, so that they would have only received $221. Whereas, under the Secretary's rates they would have received less than nothing. That is to say, they would have actually had to pay $4,735, in order

to keep the business going; and there are two owners in that business.

In the case of firm No. 19, the owners actually received during 1932 $14,713, whereas, under the Secretary's rates they would have received $4,957. There are three owners in that business and they handled livestock valued at over $2,000,000, and for their services they would have received about $1,300 each for the year's work.

In the case of firm No. 20 the owners received during the year 1932 $5,467, whereas, under the Secretary's rates they would have received nothing, but would have had to pay into the business $6,426, after having handled $31,127,000 worth of business for shippers.

Petitioner's Exhibit No. 8 comprises two sheets, the smaller of the sheets bearing in its heading the legend: "Comparison of costs of operations with actual commissions, and with commissions as per Secretary's order, [fol. 289] showing profit or loss under both. All Chicago Live Stock Exchange firms, for the year 1932." Then the second sheet bears the legend: "Relative costs (per head) selling consignments of various sizes as compared with commissions received. All Chicago Livestock Exchange firms for the year 1932."

Both the statement and the chart are intended to reflect the figures, the condition which I explained earlier this morning. That is to say, the costs that are incurred by the commission man depend not upon the mode of arrival, but on the size of the draft; that is to say, the size or number of head of livestock in each lot as they are sold.

If a shipment of twenty head of livestock has to be sold in four or five different lots, it costs a great deal more to sell than otherwise, and the different size of lots influence the cost. The rates do not recognize that situation. The costs here shown as indicated on the left side of the statement in the column showing the size of consignment and break-down of the various consignments into six different sizes; for instance, under cattle and calves we have consignments of from one to five head, from six to ten head, from eleven to fifteen head, from sixteen to twenty head, from twenty to thirty head and thirty-one head up.

In calves they are broken up in the same numbers. In

hogs and in the case of sheep, still other sizes are observed [fol. 290] because of different conditions.

In the next two columns are shown the number of head of each different sized consignment received and handled during the year 1932 and the percentage relationship of each different number of head to the total number of head. For instance, cattle received in consignments of from one to five head which totaled 113,719 head, represented 5.51 per cent of all cattle received.

In the next two columns we have the cost of handling each different sized consignment which has also been shown on a per head basis. Under the general heading of commissions we have the actual commissions which were received for each different size—for the livestock received in each different sized consignment, and also reduced to a per head basis. And we have the commissions which would have been received for that same livestock under the Secretary's order.

And the increase or decrease in commissions applying to each different sized consignment as compared with the Secretary's rates.

Then in the last group of columns headed, "Profit or Loss" we have the total profit per head and the per cent of profit or loss under the actual conditions, or the present rates, as compared with conditions which would have prevailed under the Secretary's ordered rates.

[fol. 291] Now, here we have in the fourth figure column actual costs per head. The facts supporting statements made earlier in the day that it costs a great deal more per head to handle a small consignment or bunch of livestock than it does a large consignment or bunch of livestock. For instance, if a consignment consists of from one to five head the average cost per head is $1.30—$1.3075. That is cattle only. For handling a head of cattle in a consignment of thirty-one or more, the cost is only $.7818 per head, so there is a very considerable difference between the cost of handling small and large consignments. But that difference is not recognized to nearly as great an extent as it exists in the Secretary's rates. For example, while we have a cost of $1.30 in handling one head of cattle, in consignments of from one to five head, the Secretary's rates only allow 70.69 cents in commissions. And in the larger consign-

ments, where the cost is 78.18 cents per head, we are only allowed 53.13 cents under the Secretary's rates.

So that not only does the commission man, or would the commission man experience a severe loss on both sizes of consignments, or on all sizes of consignments as indicated by this exhibit, but the large shipper would be called upon to pay part of the cost of handling the small shipper's live-stock, under the Secretary's rates as they are constructed. [fol. 292] The rate prescribed in the Secretary's order does recognize and does cause a shipper to pay more per head if he ships a small shipment, than if he would ship in a large one; but he does not recognize the trend as actually exists in costs.

In other words, it does not make the small shipper pay enough more than the large shipper per head to compensate for the cost actually incurred, or the cost difference actually existing. In other words, it costs—in the case of cattle, approximately 52 cents more per head to handle a head arriving in consignments of from one to five head, than if it arrived in a consignment of more than thirty head. But in the Secretary's rates, instead of the difference being 52 cents, it is only 17 cents. The average rate for consignments of over thirty head is 53.13 cents per head. And the point I made in that connection was that the rates under the Secretary's order do not start high enough and do not go down far enough.

"Mr. Berge: In other words, they are based not entirely upon the cost of rendering the service?

The Witness: They are entirely out of line with the trend of costs as between small and large consignments.

Mr. Berge: Didn't you say it took in the trend, but did not recognize the trend enough. I understood you to say the old rate schedule makes no distinction, whereas the Secretary has recognized the trend, but does not go far enough. Isn't that in substance your position?

[fol. 293] The Witness: Yes, the Secretary has attempted to meet that situation but having no studies of the actual conditions, he has been unable to meet it properly.

Mr. Berge: That is, in your judgment he has not done enough to meet it, to remedy the defect in the old schedule?

The Witness: He has not recognized the entire cost of handling the small consignments.

Mr. Berge:

Q. What do you think that the difference in rate as to size of consignment is based on, if not on differing costs?

A. That is something that I would like to know, knowing that the Secretary did not have such costs; I would like to know how he got at such a rate.

Mr. Berge: You think there is nothing in the record showing this cost of handling different sized consignments?

A. I know there is not."

Under the present rates there are differentials between the various modes of arrival. Under the new Secretary's rates, there is no such differential. And under the present rates, the 1923 rates, there are differences on account of plural ownerships. And on account of the mixed car.

When I say there is nothing in this record on the subject of diminishing costs for increased volume, I mean in the form of cost statistics.

I believe there have been some statements made by witnesses, who are perhaps salesmen, or Yard men, who can guess at those things, but I am referring to information of [fol. 294] an accurate and reliable character, based on facts.

Now, it will be seen by following, for instance, the classification "Cattle", which is the first classification under the heading on this sheet, that because the Secretary's rates do not recognize the proper trend between the cost of handling small consignments and large consignments, that the loss on cattle and calves, for instance, in shipments of one to five head under the Secretary's rates, would be 45.94 per cent, while for the larger consignment of over thirty head, the loss would only be 32.04 per cent, which indicates definitely that the large shipper would be paying part of the small shipper's costs under the Secretary's rates. That is true of calves and also of hogs.

Now, the chart which is attached shows the same information in graphic form. I will give one illustration and then dismiss it.

In the first column, under the heading "Cattle 1 to 5 head" you will note that the green line indicating the respondents' actual costs reflects the cost as previously mentioned which is about $1.30. Whereas, the actual commissions are shown by the solid red line which runs slightly under the 89 cent mark, the actual amount being 88.16

cents. The dotted red line, which you will find just above the 71 line, or about the 71 line, indicates the commissions per head under the Secretary's rate; the exact amount being 70.69 cents.

[fol. 295] The total green line, which will be found just above the 46. line represents the Secretary's so-called reasonable cost.

Now, the Secretary's order on the cost of cattle and calves combined is shown as 42.97 cents.

In this Exhibit 8 I have dealt with cattle and calves separately, and in dividing the expense between cattle and calves I have used the relative rates prescribed by the Secretary. Therefore, the cattle cost shows to be slightly over 46 cents, and the calves cost to be slightly over 21 cents per head.

Petitioners' Exhibit 9 is made up of schedules 1-A, 1-B, 1-C and 1-D. It has the drawing of a man upon the first sheet. It comprises four sheets and is entitled, "The cattle salesman employed under present commission rates as compared with the cattle salesman, and who will have to be employed under the Secretary's ordered rates."

The second sheet of the schedule 1-B is the same, except that it refers to hog salesmen, and the next sheet, schedule 1-C is the same, except that it refers to sheep salesmen, and sheet No. 4 which is 1-D which is entitled, "Comparison of the actual salesmen as employed by the petitioners, with the reduction in salesmen who will have to be employed under the Secretary's orders."

[fol. 296] Under the Secretary's order, the costs are subdivided according to functions; one being a function of supervision, another selling, another business getting, another buying, et cetera, corresponding to the titles in the various columns on this exhibit.

The petitioners have certain costs for each of these functions and the Secretary's order has named certain reasonable costs for the same functions under each of the three species.

I have shown the petitioners' cost per head for each of these functions. Supervision, for instance, being 2.98 cents. Selling being 40.24 cents, et cetera.

On the next line opposite the title "Secretary's reasonable costs per head, Order of January 8, 1934," I have shown the costs as indicated by the Secretary on Page 110

of that order. Which are, for instance, in the case of supervision 1.51 cents; in the case of selling 16.67 cents, et cet-ra.

On the third line I have shown the percent of the Secretary's reasonable cost to the petitioners' actual cost. Which, for instance, in the case of supervision shows that the Secretary's reasonable cost amounts to only 50.34 cents [fol. 297] of the actual cost. And in case of selling it amounts to only 41.43 cents of the actual cost.

Then on the fourth line, I have shown the distribution by functions of the salaries of all salesmen, which distributions were based on distributions of time of the individual salesman during the year 1932. In other words, there is in this record so-called questionnarie forms by which I mean labor distribution forms, on which the percentage distribution of each owner and each employe's time under the functions, is shown, indicating the manner in which each of them spent their time during the year 1932. And this distribution of salary, insofar as the salesmen only are concerned, has been shown opposite this fourth item. On the fifth line opposite functional percents, service rendered by salesmen. I show the per cent of time the salesman spent in each different class of service. For instance, they spent 1.97 per cent of their time in supervision; they spent 75.21 per cent of their time in selling; they spent 13.25 per cent of their time in business getting; 1.65 per cent of their time in buying; 1.89 per cent of their time in yarding; 1.29 per cent of their time in office work and 4.74 per cent in other business, such as the loan business, the operation of the feed yards and operating farms, et cetera.

Now the sum total of all of those per cents gives a one hundred per cent salesman, which I have shown in the first column headed "Total". On the next line, and opposite [fol. 298] "functional per cents, Salesman after reduced by the Secretary", I have applied to that portion of the salesman which represents supervision, the percentage of our actual costs which he allows for supervision, with the result that the new salesman under the Secretary's rates can only spend .99 per cent of his time in supervision; or, at least the commission man can only pay him .99 per cent of the salary, instead of 1.97 per cent for that function.

Now, in the case of selling, where the salesman now spends 75.21 per cent of his time, that cost has been cut down by the Secretary to 41.43 per cent, leaving only 31.16 per cent of the salesman which can be devoted to selling.

And in the case of business getting, whereas, he actually did spend 13.25 per cent of his time in the country making appraisals, soliciting and giving advice on livestock, et cetera, the Secretary has cut that down to 27.08 per cent of the actual cost, so that the new salesman can only spend 3.59 per cent of his time in business getting, instead of 13.25 per cent; or the commission man has the alternative of cutting his salary accordingly, and making him spend the same amount of time in the activities.

And the same applies throughout and the new percentages as summed up show that instead of having a one hun-
[fol. 299] dred per cent salesman, we will only have in the case of cattle and calves a 44.85 per cent salesman.

Now, in the case of hogs the same procedure develops a new salesman who is only 53.37 per cent of what he is now, that is under the Secretary's rates, and in the case of sheep salesmen we will only have a 50.07 per cent salesman left under the Secretary's rates.

Now, on sheet 1 of the chart, or sheet 1-A of the Exhibit 9, I have illustrated by use of a one hundred per cent scale, which is shown in the middle of the sheet, how the present salesman on the lefthand side compares with the buyer of today. They are both one hundred per cent men. The salesman is equal to the buyer. And on the righthand side I have shown how the new 44.85 per cent salesman will compare with the buyer under the Secretary's prescribed rates.

"Judge Alschuler: You are assuming equality under present rates?

The Witness: On the lefthand side under present rates he is a one hundred per cent man. That is the scale that we are measuring by and under the new rates on the righthand side he is only a 44.85 per cent salesman.

Judge Alschuler: I understand these losses can be shown. I would think they would be reflected at present in the reduction of the salesmen's force.

The Witness: It is, your Honor; salesmen are being taken away from commission firms and they are employed by buyers.

[fol. 300] "Mr. Berge: Could Mr. Mudd explain to us why it is that the salesman in the righthand side of the picture is cut to 45 per cent, when the rates, according to his Exhibit 1, are cut 20 per cent? Is he not comparing commis-

sions on the one side with costs on the other? Are the two things comparable?

The Witness: That is the point that these charts were intended to make. That while the cut apparently is only 21 per cent, the cost of the salesman would be cut over 50 per cent."

We have developed the 44.85 per cent salesman on the basis of the Secretary's order, on figures he has given on page 110 of the order, in comparison with the actual costs which are now spent for the salesman. The only way you can tell the difference between the actual cost and the Secretary's cost is by comparing them. Salesmanship is the largest factor in this business, and it is the point at which the Secretary has made the largest cut, applying the largest percentage to the largest portion of the man you get the largest reduction.

Mr. Berge:

"Q. If salesmanship is the largest factor in the business, how is it that it is cut 55 per cent when your average of everything is only 20 per cent?

A. You understand, that we are dealing here with the salesman, and the salesman only, and the salaries that are dealt with here are the salesmen's salaries only.

Q. But, you said that the salesmen's salaries are the largest factor in the business and that they would have to be cut 55 per cent, notwithstanding that the rates are only cut 20 per cent.

A. That is quite true, and is brought out in these figures. He is cutting the selling costs, as shown in the order, from 100 per cent down to 41.43 per cent.

[fol. 301] Q. What becomes of the 35 per cent, the difference between the 20 per cent that the rates are sliced, and the 55 per cent that the salesman's salary would have to be sliced, if those other factors are relatively minor cost factors?

A. If you have a 100 per cent cost and 20 per cent of it is not cut by the Secretary, and the other 80 per cent is cut, the effect on the 80 per cent is naturally more than it would be on the 100 per cent in percentages.

In other words, here is a salesman who spends 75 per cent of his time selling, and the Secretary, instead of allow-

ing 40 cents for selling, has only allowed 16 cents, therefore the selling activitiy of that man, or the salary representing that selling activity will have to be cut from 40 cents down to 16 cents, in order to get under the Secretary's reasonable cost. That means that he is cut more than—cut nearly 60 per cent.

Now, if he devotes 75 per cent, or three-quarters of his time to selling, and that activity, or the compensation for that activity is cut down nearly 60 per cent, it is quite clear he will only have 31 per cent left. And that is exactly what this statement shows, and when you do that with each of the functions as mentioned by the Secretary, the sum total that is left in that salesman is 44.85 per cent. Therefore, it indicates what it was intended to indicate, that this reduction in commissions strikes at the most vital part of this business, the salesman, and leaves the other things, with the exception of business getting, practically untouched."

Referring to Petitioners' Exhibit 10, under the first four figure columns, I have shown the number of cars of each of the different species and of all the species handled by each firm. In order to indicate the relative size of the firm's business in the next group are columns under actual results. It is cars in the case of rail shipments, plus car equivalents in the case of drive-ins. Under the next group [fol. 302] of columns headed, "Actual Results" I have shown the cost, commission, amount of profit and loss and the percent of profit or loss. The figures, in all eight of these first columns were taken from the records in this case.

Then, in order to indicate the effect on costs and on rates, I have eliminated the small firms, because it has been indicated that the small firms might be responsible for high rates, because they were too small to operate efficiently, and would therefore have to have higher rates in order to pay their way. In order to show that the elimination of these small firms would have but very little effect on the cost or rates, I have eliminated in the fourth column from the right, or shown, rather, in this column the commissions of all firms doing business of less than 200 cars of livestock per year, unless it happens that one of those small car firms handled more than 100 cars of cattle, because clearly 100 cars of cattle would support a commission man.

After eliminating those commissions from the small firms

they were added to the remaining firms in proportion to the business those remaining firms handled.

And in the third column from the right I have shown the increased commissions which these remaining large firms would have received had they had a share of the small firms' business.

[fol. 303] And in the second column from the right I have shown the new profit and loss amount, which the large firms would have received, had they been given that business, without considering that it would have cost them another dollar to have handled that business, which, of course, is obviously not true, because they could not have handled that amount of business without spending some money. But, in order to make the illustration extremely favorable to the contention that the eliminating of these small firms would effect the cost and rates materially, I have considered that this business could have been handled by the larger firms without any additional expense whatsoever.

The last column then shows the revised percentage of profit and loss as would have been experienced by these remaining large firms had they handled this additional business of the small firms, without cost, and with the final result as illustrated by the last item, "All firms", that the loss which was actually experienced in 1932 of 9.51 per cent would have been only slightly changed to a loss of 7.99 per cent; so that it clearly indicates that even though all of these small firms were eliminated, the condition would not be materially changed.

[fol. 304] Petitioners' Exhibit No. 11 is entitled "The Secretary's Reasonable Cost per Carlot as compared with the petitioners' median rate average and bulk line cost per car lot, all Chicago Livestock Exchange firms for the year 1932." The information or figures in the first column headed "Secretary's reasonable cost per car", is the result of taking the average number of head per car for each class of business and multiplying it by the Secretary's reasonable cost per head. In other words, in the case of straight car single ownership of cattle and calves there were an average of 26.56 head per car. This, when multiplied, by the Secretary's cost per head for cattle and calves which is 42.97 produces a cost per car of $11.41, shown in the first column on this exhibit under "Cattle and calves," opposite straight car single ownership.

Now, with respect to each other class of business under each of the three species, such as straight cars plural ownership, the rate was applied to the average number of head per car of that class of business. And so likewise with the mixed car single ownership, mixed car plural ownerships and drive-ins. In that way I arrived at the Secretary's reasonable cost per car.

In the second figure, the column which is headed, "Petitioners median cost per car," the costs were arrived at by [fol. 305] listing the unit cost of all firms for each class of business and selecting the middle or median cost.

In the next column, headed "Petitioners weighted average cost per car", the amounts were taken from respondent's cost study, of record in this case.

Under the next column, headed "Petitioners 66⅔ per cent bulk line cost per car", the amounts were determined by listing the volume and the unit cost for each of the firms, showing the highest unit cost on top and the lowest unit cost on the bottom and then determining bulk line costs by starting at the bottom and drawing a line at each bulk line as, for instance, a 10 per cent bulk line would be drawn at the point where 10 per cent of the volume is included, taking it from the bottom up.

And so on up until you get to 66⅔ per cent and draw your line over to the cost at that volume and we have the figure for the 66⅔ per cent bulk line.

The figures for all of these columns, that is the basis known as the medium, weighted average and the 66⅔ bulk line are in the records.

One very significant thing about this showing is the fact that, although as I explained this morning it — more to handle drive-ins, for example, than any other class of business, except possibly certain mixed plurals where many owners are involved, nevertheless that showing indicates, [fol. 306] for instance, in the case of cattle that the reasonable cost as allowed by the Secretary is only $12.42 per car as compared with the cost of $17.64 for mixed singles. In other words, his cost produced a lower amount for drive-ins than the other class of business, although it is well known that drive-ins cost considerably more to handle than the other class.

"Judge Alschuler: Do you mean that the Secretary's cost is lower for drive-ins than the Secretary's cost for the other, whatever it is?

A. Yes, sir, that is true, and the same is true in the case of hogs and also in the case of sheep. The Secretary's cost for drive-ins is less than other class of business, where it is a well known fact that the cost is much higher for drive-ins than those other classes."

Now, a similar situation exists with respect to other classes of business. The Secretary's costs show that a straight car plural ownership should be handled for less than a straight car single ownership, because, if you will note here under "hogs", the reasonable cost shows $11.99 for straight car single ownership, whereas it only shows $11.33 for straight car plural ownerships, which again is just the reverse of the actual conditions.

The same thing is true under "hogs", in comparison between mixed car singles and mixed car plurals. The Secretary shows a cost of $11.83 for mixed car plurals, whereas for mixed car singles, which are cheaper to handle he shows a larger cost or $12.42. He shows that mixed car plural [fol. 307] ownership hogs should be handled cheaper than straight car single ownership hogs. He shows that drive-in hogs should be handled cheaper than the easiest class of business to handle, straight car single ownership.

In the case of sheep the Secretary shows that the easiest class of business to handle, straight car single ownership should cost $11.15, while drive-ins, the most expensive class of business to handle should only cost $9.54. He shows that mixed car plural ownership should cost less than mixed car single ownership, which is just the reverse of what the actual conditions are, and he shows that straight car plural ownership should cost less than straight car single ownerships, which is again just the reverse of the actual conditions.

The Secretary shows that mixed car single ownership should cost less than straight car single ownership, which is still just the reverse of the existing conditions, and that mixed car plural ownerships of sheep should cost more than straight cars plural ownership, which is the reverse of the actual condition.

Now, his costs as shown in the first column are in many cases half, or less than half of the cost developed under

the three well known methods of figuring costs, and in some cases it is only one-fourth of the cost, produced by one or more of these well known methods.

[fol. 308] For instance, in the case of drive-in sheep he shows a cost of $9.54, whereas on the basis of the 66⅔ bulk line cost it should be $37.02.

Now, under the 66⅔ bulk line cost the assumption is drawn that the other 33⅓ per cent of the business is handled inefficiently, so that by even granting that one-third of the business is handled inefficiently, the cost of handling the balance of the business is more than four times that allowed by the Secretary.

I could go on and cite every one of these items and make similar statements, because the comparisons that I have already cited hold good throughout the statement and anything else that I might say would be in the nature of a repetition.

Again, referring to the first item under "Cattle and calves straight car single ownership", it will be noticed in next to the last column that only three out of the 95 firms handling that class of business during the year 1932 had a cost as low as that prescribed by the Secretary and only 130 out of 46,016 cars were handled at a cost as low as the Secretary's reasonable cost.

In the next item, straight cars plural ownership it shows that only three out of the 93 firms operated at a cost [fol. 309] as low as the Secretary's reasonable cost and that they only handled 16 out of a total of 13,008 cars cheaper than the Secretary's reasonable cost.

In the case of mixed cars single ownership there were 8 out of 93 firms only that were able to handle the cars,—a car as cheap as the Secretary's cost would call for. And there were only 96 out of over 2,000 of those cars that were handled cheaper than the Secretary's reasonable cost.

In the case of mixed car plural ownership there was only one out of 94 firms that was able to meet the Secretary's cost and there were only nine out of 3289 cars that were handled as low as his reasonable cost.

In the case of drive-ins there were none who reached the Secretary's cost.

During the year 1932, Exhibit No. 2 shows that under present rates 86 out of 101 firms operated at a loss, while under the Secretary's rates 100 out of 101 would have operated at a loss.

Under the present rates the average loss for all firms during 1932 was 9.51 per cent, while under the Secretary's rate the loss would have been 28.30 per cent.

For the year 1933, under the present rates, 60 out of 87 firms operated at a loss, while under the Secretary's [fol. 310] rates 84 out of 87 would have operated at a loss.

Under the present rates the average loss for all firms during 1933 was 2.36 per cent, while under the Secretary's rates the loss would have been 22.65 per cent.

For the first four months of 1934 under the present rates 44 out of 73 firms operated at a loss, while under the Secretary's rates 72 out of 73 would have operated at a loss.

Under the present rates the average loss of all firms during the first four months of 1934 was 1.12 per cent, while under the Secretary's rates the loss would have been 21.66 per cent.

The fact that there were a smaller number of firms operating at a loss during the first four months of 1934 is apparently due to the drought and other conditions of that sort, which drove livestock into the market prematurely. It is not a fact that that increased volume was coming into the market before the drought conditions were apparent. The volume in 1933 was less than in 1932. I have not made the comparison month by month. I do know that the Secretary's pig program has increased the volume of the pig business very materially and that would have a tendency to make the result as I have indicated. I have the volume for the four months here. The thing that I haven't got [fol. 311] is each month separately. I attribute the fact that less firms have been showing a loss this year to the temporary increase in the volume, because whatever is received in the way of increased volume, for instance, from the Secretary's pig program will mean severe losses later on to the commission men.

"Mr. Haight: I offer in evidence at this point as plaintiffs' Exhibit 12 the government publication by the Secretary of Agriculture entitled, 'Emergency Hog Market Program'."

"Mr. Berge: The witness testified that there has been a decrease in the firms showing a loss and I want his simple answer as to why that is, if it is due to anything else than a change in volume, we would like to know.

Mr. Haight: Do you know the answer, Mr. Mudd?

A. I have no doubt but what an increased volume would slightly reduce the unit cost, as it does in every business. But under conditions that have existed on this market recently, when this unusual volume has been received as under the Secretary's hog program, additional expenses have been avoided by night work and the commission men and their employees have been taxed to their utmost to handle that business and meet their existing loss condition.

Judge Alschuler: Existing expense?

A. Existing loss condition. They are losing money now.

Judge Alschuler: Of course, if they handle it with the same business, without additional pay and additional service cost, it isn't costing them any more to do it, but the evidence is it has increased. They received more for it. They are paid by the car.

The Witness: A. That is true. The only way they have avoided additional expense, knowing it was a temporary [fol. 312] condition, they have worked nights and exerted every other means of that nature, whereas, if it had been a normal tendency toward an increased volume that was going to go on more or less permanently, they would have had to incur additional expenses in a permanent fashion, whereas they met the situation as an emergency."

The fire that occurred on the 19th of May in the Union Stockyards, at which time the Exchange Building in which all of the plaintiffs here are located in respect to offices, was destroyed, and their records or most of them, the fire extending beyond the Exchange Building. It destroyed a very large part of the stock pens. Since then business has been done at the Stockyards under very congested conditions in the remaining pens. The commission men have been able to perform their functions under very, very difficult conditions during normal hours and by working additional hours.

They have little wooden shacks for offices that have been put up in rows of ten or fifteen, very hurriedly, to be constructed out of boards in a day or two to meet the emergency. During the time I had contact with the officers and the books and records of the various plaintiffs' concerns here, I learned that they kept over the years their customers' lists. No, the customers' names were not in the general books that were saved; the customers' records were

separated, so far as I know. They were all destroyed. As a matter of fact, some of the commission men asked me to loan them copies of their impounded records submitted to [fol. 313] this court, so that they could gather up the names of what few customers were available on that list.

"Q. You were speaking this forenoon of the present rates, that is the 1923 rates. And I want to ask you a leading question, in order to save time: Did I understand you to mean, in criticizing the present tariff that it does not provide sufficient revenue to meet the operating conditions of these respective businesses?

A. Yes, sir, that is exactly what I meant. It does not provide sufficient revenue and I think that is clearly indicated in Exhibit No. 2."

Petitioners Exhibits 1 to 12 both inclusive offered and received in evidence.

Mr. Berge objected on the grounds first stated.

No cross-examination.

Mr. Haight: I would now like to offer in evidence as one exhibit the record before the Secretary. For convenience, we may call it Plaintiffs' Exhibit 13. It is the large amount of material which the government has kindly brought into the courtroom and consists of over forty volumes of transcript and a great number of exhibits, all of which have heretofore been identified on the record before the Secretary.

[fol. 314] Judge Alschuler: The transcript will be received, transcript offered into evidence will be received into evidence and it will be up to you gentlemen to make the most convenient use of it.

Plaintiff rested.

[fol. 315] STIPULATION RE NARRATIVE STATEMENT OF EVIDENCE

The parties hereto stipulate and agreed that the foregoing Narrative Statement of Evidence is true, properly prepared, and contains all of the testimony taken before the Court material to the hearing of the appeal; and the

defendant-appellees waive notice of the lodgment thereof, and notice of the time of the proposed settlement thereof.

Geo. I. Haight, Counsel for Appellants. Wendell Berge, Counsel for Appellees.

[fol. 316] IN UNITED STATES DISTRICT COURT

ORDER SETTLING STATEMENT OF EVIDENCE

It appearing that notice of the lodgment of the within and foregoing Narrative Statement of Evidence has been waived by the appellees and that notice of the time of the proposed settlement thereof has been likewise waived;

And it further appearing that said Statement of Evidence is true, properly prepared and contains all of the testimony taken before the Court material to the hearing of the appeal;

And it further appearing that the portions of said statement of Evidence appearing in the exact words of the witnesses is necessary in order that the sense and understanding thereof may be determined:

It is therefore ordered that said Statement of Evidence be settled, approved, and allowed as a true, complete and correct statement of all the evidence taken before the Court in said cause material to the hearing of the appeal and that the same be filed with the Clerk of this Court and become part of the record on appeal.

Dated at Chicago, Illinois, this 17th day of December, 1935.

Samuel Alschuler, Circuit Judge. James H. Wilkerson, District Judge. John P. Barnes, District Judge.

[fol. 317] IN UNITED STATES DISTRICT COURT

[Title omitted]

Plaintiffs' Exhibits—Filed Jan. 31, 1935

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE FOUR MONTHS
(Except in instances where records were destroyed in the
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS COMPARED WITH

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COMMISSIONS													
		CATTLE						CALVES		SWINE				SHEEP	
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS			
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS
ADAMS, CORRICK & HATCH	SELLING	816	448.50	2 540	1 573.40	1 046	750.20	512	184.60	219	30.90	14 505	3 195.15	1 260	106.31
	BUYING														
	TOTAL														
ALEXANDER CONOVER & CO.	SELLING	8 344	4 220.96	25 021	14 641.41	9 559	6 658.65	1 469	478.50	474	66.60	27 026	5 445.90	79 603	5 717.09
	BUYING														
	TOTAL														
ADLER SONS & COMPANY	SELLING	(INCLUDED IN SWANSON, GILMORE & CASTENHOLTZ)													
	BUYING														
	TOTAL														
LOUIS ARMBRECHT COM. CO.	SELLING	26	14.30	172	105.50	185	129.95	24	6.90	-	-	705	118.40	-	-
	BUYING														
	TOTAL														
BAKER, HEYNE & COMPANY	SELLING	1 142	635.50	2 731	1 753.95	1 440	1 048.05	1 648	555.55	664	100.65	22 220	4 785.25	300	60.70
	BUYING														
	TOTAL														
C. H. ACKER & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
BARTON, LOONEY & COMPANY	SELLING	1 438	746.20	2 479	1 596.05	646	442.50	776	251.40	83	12.45	2 949	678.80	89	23.15
	BUYING														
	TOTAL														
BENTON & COMPANY	SELLING	335	199.40	956	664.15	129	111.25	2 221	745.65	1 384	205.20	14 785	3 413.85	169	42.15
	BUYING														
	TOTAL														
BOWLES L. S. COM. COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
GEO. M. BROWNSON & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
ABE BURNETT & COMPANY	SELLING	414	231.50	1 038	651.55	518	359.00	258	84.40	124	16.70	3 017	667.05	1 297	104.91
	BUYING														
	TOTAL														
CALLAHAN L. S. COM. COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
	SELLING														

	TOTAL																
ALEXANDER CONOVER & CO.	SELLING BUYING TOTAL	8 344	4 220.96	25 021	14 641.41	9 559	6 658.65	1 469	478.50	474	66.60	27 026	5 445.90	79 603	5 717.		
ADLER SONS & COMPANY	SELLING BUYING TOTAL	(INCLUDED IN SWANSON, GILMORE & CASTENHOLTZ)															
LOUIS ARMBRECHT COM. CO.	SELLING BUYING TOTAL	26	14.30	172	105.50	185	129.95	24	6.90	-	-	705	118.40	-	-		
BAKER, HEYNE & COMPANY	SELLING BUYING TOTAL	1 142	635.50	2 731	1 753.95	1 440	1 048.05	1 648	555.55	664	100.65	22 220	4 785.25	300	60.70		
C. H. ACKER & COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)															
BARTON, LOONEY & COMPANY	SELLING BUYING TOTAL	1 438	746.20	2 479	1 596.05	646	442.50	776	251.40	83	12.45	2 949	678.80	89	23.15		
BENTON & COMPANY	SELLING BUYING TOTAL	335	199.40	956	664.15	129	111.25	2 221	745.65	1 384	205.20	14 785	3 413.85	169	42.15		
BOWLES L. S. COM. COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)															
GEO. M. BROWNSON & COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)															
ABE BURNETT & COMPANY	SELLING BUYING TOTAL	414	231.50	1 038	651.55	518	359.00	258	84.40	184	16.70	3 017	667.05	1 297	104.93		
CALLAHAN L. S. COM. COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)															
HARRY L. CARPENTER	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)															
CENTRAL L. S. COM. COMPANY	SELLING BUYING TOTAL	1 131	612.75	2 975	1 864.80	898	655.65	1 506	447.60	24	3.60	9 162	1 954.28	400	49.67		
CLARK BOWLES & COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)															
JOHN CLAY & COMPANY	SELLING BUYING TOTAL	8 069	4 001.91	25 879	15 220.56	14 527	9 600.70	1 506	423.90	319	46.50	26 649	5 080.85	205 225	14 408.73		

HE DISTRICT COURT OF THE UNITED STATES
ORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

Petitioners' Exhibit No. 1
Witness, Earle D. Mudd.

ANDLED BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934
stances where records were destroyed in the recent fire)
S UNDER SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS

Sheet 1 of 7

SCHEDULE NO. 2

AND SECRETARY'S COMMISSIONS									PRESENT COMMISSIONS				DIFFERENCE			
SWINE				SHEEP		EXTRA CHARGES		TOTAL	REGULAR COMMS	EXTRA CHARGES		TOTAL	PRESENT OVER SECY.	PRESENT UNDER SECY.	NET REDUCTION	PERCENT OF REDUCTION
PIGS		HOGS				FOR DRAFTS	CHECKS & A/S			FOR DRAFTS	PRORATING & A/S					
HEAD	COMMS	HEAD	COMMS	HEAD	COMMS											
219	30.90	14 505	3 195.15	1 260	106.51	45.10	23.35	6 357.71	8 157.83	52.40	67.10	8 277.33	1 967.04	47.42		
								48.00				48.00				
								6 405.71				8 325.33			1 919.62	23.06
474	66.60	27 026	5 445.90	79 603	5 717.09	316.90	10.25	37 556.26	46 709.88	242.95	273.88	47 226.71	9 802.01	131.56		
								913.40				913.40				
								38 469.66				48 140.11			9 670.45	20.09
-	-	705	118.40	-	-	4.05	.45	379.55	512.10	3.60	4.10	519.80	140.91	.66		
								NONE				NONE				
								379.55				519.80			140.25	26.98
664	100.65	22 220	4 785.25	300	60.70	50.55	13.35	9 003.55	10 098.39	163.80	411.89	10 674.08	1 912.55	242.02		
								15.00				15.00				
								9 018.55				10 689.08			1 670.53	15.63
83	12.45	2 949	678.80	89	23.15	59.60	.20	3 810.35	4 909.16	47.35	6.15	4 962.66	1 162.03	9.72		
								NONE				NONE				
								3 810.35				4 962.66			1 152.31	23.22
1 384	205.20	14 785	3 413.85	169	42.15	19.65	-	5 401.30	6 783.71	1.80	63.47	6 848.98	1 498.28	50.60		
								NONE				NONE				
								5 401.30				6 848.98			1 447.68	21.14
184	16.70	3 017	667.05	1 297	104.93	26.55	.95	2 142.63	2 781.85	19.65	31.05	2 832.55	697.90	7.98		
								NONE				NONE				
								2 142.63				2 832.55			689.92	24.36

									6 405.71				8 325.33			1 919.62	23.06
30	474	66.60	27 026	5 445.90	79 603	5 717.09	316.90	10.25	37 556.26	46 709.88	242.95	273.88	47 226.71	9 802.01	131.56		
									913.40				913.40				
									38 469.66				48 140.11			9 670.45	20.09
20	–	–	705	118.40	–	–	4.05	.45	379.55	512.10	3.60	4.10	519.80	140.91	.66		
									NONE				NONE				
									379.55				519.80			140.25	26.98
35	664	100.65	22 220	4 785.25	300	60.70	50.55	13.35	9 003.55	10 098.39	163.80	411.89	10 674.08	1 912.55	242.02		
									15.00				15.00				
									9 018.55				10 689.08			1 670.53	15.63
10	83	12.45	2 949	678.80	89	23.15	59.60	.20	3 810.35	4 909.16	47.35	6.15	4 962.66	1 162.03	9.72		
									NONE				NONE				
									3 810.35				4 962.66			1 152.31	23.22
55	1 384	205.20	14 785	3 413.85	169	42.15	19.65	–	5 401.30	6 783.71	1.80	63.47	6 848.98	1 498.28	50.60		
									NONE				NONE				
									5 401.30				6 848.98			1 447.68	21.14
10	124	16.70	3 017	667.05	1 297	104.93	26.55	.95	2 142.63	2 781.85	19.65	31.05	2 832.55	697.90	7.98		
									NONE				NONE				
									2 142.63				2 832.55			689.92	24.36
0	24	3.60	9 162	1 954.28	400	49.67	95.25	3.65	5 687.25	6 368.82	127.75	228.10	6 724.67	1 137.82	100.40		
									1.50				1.50				
									5 688.75				6 726.17			1 037.42	15.42
0	319	46.50	26 649	5 080.85	205 225	14 408.73	415.10	111.60	49 309.85	63 639.05	169.05	111.92	63 920.02	4 862.42	252.25		
									189.50				189.50				
									49 499.35				64 109.52			4 610.17	22.79

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE FOUR MONTH
(Except in instances where records were destroyed in
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS COMPARED WITH

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COMMISSIONS													
		CATTLE						CALVES		SWINE				SHEEP	
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS			
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS
CONKLIN BROS. COM. COMPANY	SELLING	3 265	1 745.20	7 357	4 626.80	4 131	2 974.40	1 556	538.30	635	99.25	31 816	6 795.55	530	84.80
	BUYING														
	TOTAL														
COCHRAN, HENNEBERRY & WALLACE	SELLING	2 169	1 360.75	5 369	3 372.70	1 693	1 239.40	1 586	509.65	154	19.55	27 919	5 900.00	944	116.70
	BUYING														
	TOTAL														
H. D. COPELAND & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
W. DANIEL	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
DOLAN, LUDEMAN & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
DROVERS COM. COMPANY	SELLING	4 698	2 475.15	13 357	7 316.35	4 037	2 760.90	5 899	1 709.00	49	7.35	19 963	3 414.33	896	125.03
	BUYING														
	TOTAL														
DUNBAR, ST. JOHN & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
H. L. DUNNING & CO.	SELLING	1 945	982.25	2 378	1 484.35	529	387.10	582	172.20	98	13.28	7 846	1 497.65	162	19.19
	BUYING														
	TOTAL														
ETTLINGER L. S. COM. CO.	SELLING	252	140.75	1 233	755.10	193	144.30	247	78.30	6	.90	7 094	1 326.25	131	25.95
	BUYING														
	TOTAL														
EVANS, SNIDER, BUEL COMPANY	SELLING	1 143	631.85	2 474	1 548.55	599	447.85	1 036	366.10	1 130	167.10	16 077	3 673.20	3 420	421.51
	BUYING														
	TOTAL														
FILLER, WILSON, MCCLELLAND	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
W. GENTLEMAN & SONS	SELLING	4 512	2 418.55	10 513	6 536.05	3 552	2 514.25	1 858	554.45	967	144.00	21 879	4 665.78	322	73.68
	BUYING														
	TOTAL														
I. O. FRY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														

COCHRAN, HENNEBERRY & WALLACE	SELLING	2 169	1 360.75	5 369	3 372.70	1 693	1 239.40	1 586	509.65	154	19.55	27 919	5 900.00	944	116.70
	BUYING														
	TOTAL														
H. D. COPELAND & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
WM. DANIEL	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
DOLAN, LUDEMAN & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
DROVERS COM. COMPANY	SELLING	4 698	2 475.15	13 357	7 316.35	4 037	2 760.90	5 899	1 709.00	49	7.35	19 963	3 414.33	896	125.03
	BUYING														
	TOTAL														
DUNBAR, ST. JOHN & COMPANY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
H. L. DUNNING & CO.	SELLING	1 945	982.25	2 378	1 484.35	529	387.10	582	172.20	98	13.28	7 846	1 497.65	162	19.19
	BUYING														
	TOTAL														
ETTLINGER L. S. COM. CO.	SELLING	252	140.75	1 233	755.10	193	144.30	247	78.30	6	.90	7 094	1 326.25	131	25.95
	BUYING														
	TOTAL														
EVANS, SNIDER, BUEL COMPANY	SELLING	1 143	631.85	2 474	1 548.55	599	447.85	1 036	366.10	1 130	167.10	16 877	3 673.20	3 420	421.51
	BUYING														
	TOTAL														
FILLER, WILSON, MCCLELLAND	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
WM. GENTLEMAN & SONS	SELLING	4 512	2 418.55	10 513	6 536.05	3 552	2 514.25	1 858	554.45	967	144.00	21 879	4 665.78	322	73.60
	BUYING														
	TOTAL														
I. O. FRY	SELLING	(DESTROYED IN THE FIRE)													
	BUYING														
	TOTAL														
GILLOGLY & CO.	SELLING	2 099	1 198.85	5 664	3 075.65	1 338	1 008.95	3 798	1 223.80	7 623	640.50	26 624	5 937.35	317	75.55
	BUYING														
	TOTAL														
GREENWOOD COM. COMPANY	SELLING	262	148.95	433	294.95	87	70.90	792	259.70	663	84.40	11 032	2 457.90	37	9.85
	BUYING														
	TOTAL														
HEFNER COM. COMPANY	SELLING	2 595	1 464.05	4 374	2 974.25	984	787.40	4 683	1 582.15	2 397	360.85	25 523	6 029.80	634	150.10
	BUYING														
	TOTAL														

OCK HANDLED BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934
cept in instances where records were destroyed in the fire)
SSIONS UNDER SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS

SCHEDULE NO. 2

AND SECRETARY'S COMMISSIONS									PRESENT COMMISSIONS				DIFFERENCE			
	SWINE				SHEEP		EXTRA CHARGES			EXTRA CHARGES						
	PIGS		HOGS				FOR	CHECKS	TOTAL	REGULAR	FOR	PRORATING	TOTAL	PRESENT OVER	PRESENT UNDER	NET	PERCENT OF
	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	DRAFTS	& A/S		COMMS	DRAFTS	& A/S		SECY.	SECY.	REDUCTION	REDUCTION
8.30	635	99.25	31 816	6 795.55	530	84.92	159.70	72.40	17 096.52	21 275.79	145.30	132.80	21 553.89	4 546.74	89.37		
									94.50				94.50				
									17 191.02				21 648.39			4 457.37	20.59
9.65	154	19.55	27 919	5 900.00	944	116.70	210.10	.10	12 728.95	15 742.28	188.42	209.37	16 140.07	3 522.81	111.69		
									9.50				9.50				
									12 738.45				16 149.57			3 411.12	21.12
9.00	49	7.35	19 963	3 414.33	896	125.03	428.25	18.75	18 255.11	22 316.58	315.40	1.55	22 633.53	4 494.57	116.15		
									4.50				4.50				
									18 259.61				22 638.03			4 378.42	19.34
2.20	98	13.28	7 846	1 497.65	162	19.19	68.85	.90	4 625.77	5 755.95	56.65	2.35	5 814.95	1 204.65	15.47		
									15.50				15.50				
									4 641.27				5 830.45			1 189.18	20.40
1.30	6	.90	7 094	1 326.25	131	25.95	28.10	3.55	2 523.20	3 088.10	45.00	110.00	3 243.10	740.32	20.42		
									89.50				89.50				
									2 612.70				3 332.60			719.90	21.60
.10	1 130	167.10	16 077	3 673.20	3 420	421.51	16.35	8.20	7 280.71	9 111.56	14.85	22.00	9 148.41	1 927.83	60.13		
									252.60				252.60				
									7 533.31				9 401.01			1 867.70	19.87
.40	967	144.00	21 879	4 665.78	322	73.60	319.55	.90	17 227.13	21 488.62	159.10	45.30	21 693.02	4 541.14	75.25		
									1 048.50				1 048.50				
									18 275.63				22 741.52			4 465.89	19.64
	7 623	640.50	26 624	5 937.35	317	75.55	168.75	.80	13 330.20	16 896.55	14.85	3.05	16 914.45	3 673.79	89.54		
									87.00				87.00				

								9.50				9.50				
								12 738.45				16 149.57			3 411.12	21.12
49	7.35	19 963	3 414.33	896	125.03	428.25	18.75	18 255.11	22 316.58	315.40	1.55	22 633.53	4 494.57	116.15		
								4.50				4.50				
								18 259.61				22 638.03			4 378.42	19.34
98	13.28	7 846	1 497.65	162	19.19	68.85	.90	4 625.77	5 755.95	56.65	2.35	5 814.95	1 204.65	15.47		
								15.50				15.50				
								4 641.27				5 830.45			1 189.18	20.40
6	.90	7 094	1 326.25	131	25.95	28.10	3.55	2 523.20	3 088.10	45.00	110.00	3 243.10	740.32	20.42		
								89.50				89.50				
								2 612.70				3 332.60			719.90	21.60
130	167.10	16 877	3 673.20	3 420	421.51	16.35	8.20	7 280.71	9 111.56	14.85	22.00	9 148.41	1 927.83	60.13		
								252.60				252.60				
								7 533.31				9 401.01			1 867.70	19.87
967	144.00	21 879	4 665.78	322	73.60	319.55	.90	17 227.13	21 488.62	159.10	45.30	21 693.02	4 541.14	75.25		
								1 048.50				1 048.50				
								18 275.63				22 741.52			4 465.89	19.64
623	640.50	26 624	5 937.35	317	75.55	168.75	.80	13 330.20	16 896.55	14.85	3.05	16 914.45	3 673.79	89.54		
								87.00				87.00				
								13 417.20				17 001.45			3 584.25	21.06
863	84.40	11 032	2 457.90	37	9.85	21.45	4.75	3 352.85	3 750.20	50.25	174.25	3 974.70	725.01	103.16		
								NONE				NONE				
								3 352.85				3 974.70			621.85	15.65
2 397	360.85	25 523	6 029.80	634	150.10	194.40	–	13 543.00	16 315.80	190.60	227.40	16 733.80	3 393.53	202.73		
								12.50				12.50				
								13 555.50				16 746.30			3 190.80	19.6

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE FOUR
(Except in instances where records were destro
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS COMPARED

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COMM												
		CATTLE						CALVES		SWINE				SH
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS		
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD
HAIME & RENEKER	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
CHAS. W. HARDING COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
HAFNER, NIXON COM. COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
HOLLOWAY & DORAN	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
INGWERSEN, MOSIER & INGWERSEN	SELLING BUYING TOTAL	1 919	999.75	6 794	4 057.05	4 646	3 167.29	322	107.15	121	16.15	19 291	3 795.74	779
IOWA L. S. COM. CO.	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
W. C. JENNINGS & CO.	SELLING BUYING TOTAL	1 381	698.45	2 431	1 494.30	615	447.95	509	151.20	-	-	3 355	674.15	110
L. A. KEYS & COMPANY	SELLING BUYING TOTAL	168	89.40	282	183.20	48	37.30	420	139.65	13	1.95	3 978	908.50	6
KNETTLE BROTHERS	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
KUENSTER L. S. COM. CO.	SELLING BUYING TOTAL	5 792	2 957.75	17 822	10 317.55	7 055	4 899.60	3 890	1 247.45	3 415	359.90	47 931	9 084.66	1 582
LAWLER BROS. & COMPANY	SELLING BUYING TOTAL	5 207	2 772.35	16 824	10 622.05	7 281	5 087.30	20 695	5 017.02	472	70.10	14 443	2 914.20	3 059
MCCAUSLAND, HOAG & VAUGHAN	SELLING BUYING TOTAL	3 279	1 644.55	13 225	7 399.80	6 255	4 253.75	606	203.85	143	22.20	5 795	1 201.15	4 32
	SELLING	673	343.40	1 201	775.25	391	289.30	259	83.85	62	9.30	5 605	1 195.75	45

CHAS. W. HARDING COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
HAFNER, NIXON COM. COMPANY	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
HOLLOWAY & CORBIN	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
INGWERSEN, MOSIER & INGWERSEN	SELLING BUYING TOTAL	1 919	999.75	6 794	4 057.05	4 646	3 167.29	322	107.15	121	16.15	19 291	3 795.74	779
IOWA L. S. COM. CO.	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
W. C. JENNINGS & CO.	SELLING BUYING TOTAL	1 381	698.45	2 431	1 494.30	615	447.95	509	151.20	-	-	3 355	674.15	110
L. A. KEYS & COMPANY	SELLING BUYING TOTAL	168	89.40	282	183.20	48	37.30	420	139.65	13	1.95	3 978	908.50	6
KNETTLE BROTHERS	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												
KUENSTER L. S. COM. CO.	SELLING BUYING TOTAL	5 792	2 957.75	17 822	10 317.55	7 055	4 899.60	3 890	1 247.45	3 415	359.90	47 931	9 084.66	1 582
LAWLER BROS. & COMPANY	SELLING BUYING TOTAL	5 207	2 772.35	6 824	10 622.05	7 281	5 087.30	20 695	5 017.02	472	70.10	14 443	2 914.20	3 059
MCCAUSLAND, HOAG & VAUGHAN	SELLING BUYING TOTAL	3 279	1 644.55	13 225	7 399.80	6 255	4 253.75	606	203.85	143	22.20	5 795	1 201.15	4 321
MARTIN BROS. & CO. (APRIL ONLY)	SELLING BUYING TOTAL	673	343.40	1 201	775.25	391	289.30	259	83.85	62	9.30	5 605	1 195.75	42
MERRION & WILKINS	SELLING BUYING TOTAL	(DESTROYED BY FIRE)												
MILLER, WHITE & WOODS	SELLING BUYING TOTAL	3 810	2 055.35	8 499	5 490.30	2 259	1 712.85	2 939	955.25	1 567	235.20	24 219	5 376.04	2 685
MINTEER, HUBBIRD & CO.	SELLING BUYING TOTAL	(DESTROYED IN THE FIRE)												

LED BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934 — Sheet 3 of 7
Instances where records were destroyed by the fire)
NDER SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS — SCHEDULE NO. 2

SECRETARY'S COMMISSIONS								PRESENT COMMISSIONS				DIFFERENCE			
SWINE				SHEEP		EXTRA CHARGES		TOTAL	REGULAR COMMS	EXTRA CHARGES		TOTAL	PRESENT OVER SECY.	PRESENT UNDER SECY.	NET REDUCTION	PERCENT OF REDUCTION
PIGS		HOGS				FOR DRAFTS	CHECKS & A/S.			FOR DRAFTS	PRORATING & A/S					
AD	COMMS	HEAD	COMMS	HEAD	COMMS											
121	16.15	19 291	3 795.74	779	68.09	71.15	18.45	12 300.82 178.10 12 478.92	16 268.62	36.10	94.71	16 399.43 178.10 16 577.53	4 145.16	46.55	4 098.61	24.72
-	-	3 355	674.15	110	13.90	107.30	5.55	3 592.80 NONE 3 592.80	4 378.09	104.35	69.10	4 551.54 NONE 4 551.54	1 004.37	45.63	958.74	21.06
13	1.95	3 978	908.50	6	1.85	9.75	10.95	1 382.55 NONE 1 382.55	1 713.60	5.40	12.60	1 731.60 NONE 1 731.60	368.50	19.45	349.05	20.16
415	359.90	47 931	9 084.66	1 582	191.61	248.70	12.80	29 320.02 41.50 29 361.52	33 951.21	292.90	602.55	34 846.66 41.50 34 888.16	5 799.61	272.97	5 526.64	15.84
472	70.10	14 443	2 914.20	3 059	381.32	713.25	103.25	27 680.84 252.00 27 932.84	32 993.49	609.90	183.05	33 786.44 252.00 34 038.44	6 823.82	718.22	6 105.65	17.94
143	22.20	5 795	1 201.15	4 321	353.92	144.80	15.40	15 239.42 254.00 15 493.42	20 922.62	18.15	23.80	20 964.57 254.00 21 218.57	5 747.57	22.42	5 725.15	26.98
22	9.30	5 605	1 195.75	42	10.10	37.30	11.65	2 755.90	3 502.70	20.95	31.40	3 555.05	812.51	13.36		

1	16.15	19 291	3 795.74	779	68.09	71.15	18.45	12 300.82 178.10 12 478.92	16 268.62	36.10	94.71	16 399.43 178.10 16 577.53	4 145.16	46.55	4 098.61	24.72
	-	3 355	674.15	110	13.90	107.30	5.55	3 592.80 NONE 3 592.80	4 378.09	104.35	69.10	4 551.54 NONE 4 551.54	1 004.37	45.63	958.74	21.06
3	4.95	3 978	908.50	6	1.85	9.75	10.95	1 382.55 NONE 1 382.55	1 713.60	5.40	12.60	1 731.60 NONE 1 731.60	368.50	19.45	349.05	20,10
5	359.90	47 931	9 084.66	1 582	191.61	248.70	12.80	29 320.02 41.50 29 361.52	33 951.21	292.90	602.55	34 846.66 41.50 34 888.16	5 799.61	272.97	5 526.64	15.84
2	70.10	14 443	2 914.20	3 059	381.32	713.25	103.25	27 680.84 252.00 27 932.84	32 993.49	609.90	183.05	33 786.44 252.00 34 038.44	6 823.82	718.22	6 105.65	17.94
3	22.20	5 795	1 201.15	1 321	353.92	144.80	15.40	15 239.42 254.00 15 493.42	20 922.62	18.15	23.80	20 964.57 254.00 21 218.57	5 747.57	22.42	5 725. 5	26.98
2	9.30	5 605	1 195.75	42	10.10	37.30	11.65	2 755.90 89.90 2 845.80	3 502.70	20.95	31.40	3 555.05 89.90 3 644.95	812.51	13.36	799.15	21.92
	235.20	24 219	5 376.04	2 685	327.66	268.20	16.25	16 437.10 349.40 16 786.50	20 484.93	183.30	82.65	20 750.88 349.40 21 100.28	4 412.27	98.49	4 313.78	20.44

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE FOUR
(Except in instances where records were destroyed
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS COMPARED

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COMMIS													
		CATTLE						CALVES		SWINE				SHEE	
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS			
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	FOMMS	HEAD	COMMS	HEAD	C
CHAS. H. MOBERLY	SELLING BUYING TOTAL	97	54.65	158	105.20	19	15.75	28	8.85	1	.15	321	77.05	-	
MULLEN COM. CO. (APRIL DESTROYED BY THE FIRE)	SELLING BUYING TOTAL	694	376.15	1 636	1 022.60	405	307.10	448	151.15	472	65.10	10 966	2 247.65	38	
MURRAY & MCDOWELL	SELLING BUYING TOTAL	680	369.05	1 811	1 122.25	751	539.50	636	216.70	344	50.85	11 309	2 508.89	448	
MUTUAL L. S. COM. CO. (MARCH & APRIL DESTROYED)	SELLING BUYING TOTAL	888	480.35	3 107	1 945.35	947	681.00	1 136	364.90	806	117.05	15 750	3 335.45	988	
NALLEY COM. COMPANY (APRIL DESTROYED BY FIRE)	SELLING BUYING TOTAL	525	287.30	648	417.75	223	163.65	244	82.20	211	31.15	3 556	784.05	21	
JOSEPH F. NASH	SELLING BUYING TOTAL	(DESTROYED BY THE FIRE)													
NATIONAL L. S. COM. CO.	SELLING BUYING TOTAL	8 868	4 545.49	17 133	10 389.50	11 451	7 883.29	3 959	1 218.62	732	106.65	42 582	8 845.70	17 736	1
C. E. NIXON & CO.	SELLING BUYING TOTAL	(DESTROYED BY THE FIRE)													
NORTHWESTERN L. S. COM. CO.	SELLING BUYING TOTAL	1 974	1 049.90	7 019	4 543.45	1 232	874.40	823	223.20	3	.45	12 812	2 414.87	2 964	
SILAS PALMER & SONS	SELLING BUYING TOTAL	2 424	1 306.05	7 737	4 738.80	2 498	1 778.40	3 756	1 085.85	1 068	125.00	11 235	2 126.94	230	
JOHN PATTERSON & SON	SELLING BUYING TOTAL	74	40.70	122	78.55	130	87.10	3	1.20	1	.15	307	51.90	-	
PETERSON, TURNBULL & COMPANY	SELLING BUYING TOTAL	2 276	1 267.85	4 901	3 185.30	1 303	953.25	1 302	436.25	595	91.49	18 594	4 144.13	359	
RICE BROTHERS (ALL DESTROYED BY FIRE)	SELLING BUYING TOTAL	2 931	1 490.00	7 115	4 340.05	4 620	3 196.30	1 849	573.10	429	69.75	20 820	4 043.45	3 219	

MULLEN COM. CO. (APRIL DESTROYED BY THE FIRE)	SELLING BUYING TOTAL	694	376.15	1 636	1 022.60	405	307.10	443	151.15	472	65.10	10 966	2 247.65	38	5.
MURRAY & MCDOWELL	SELLING BUYING TOTAL	680	369.05	1 811	1 122.25	751	539.50	636	216.70	344	50.85	11 309	2 508.89	448	37.
MUTUAL L. S. COM. CO. (MARCH & APRIL DESTROYED)	SELLING BUYING TOTAL	888	480.35	3 107	1 945.35	947	681.00	1 136	364.90	806	117.05	15 750	3 335.45	988	134.
NALLEY COM. COMPANY (APRIL DESTROYED BY FIRE)	SELLING BUYING TOTAL	525	287.30	648	417.75	223	163.65	244	82.20	211	31.15	3 556	784.05	21	5.
JOSEPH F. NASH	SELLING BUYING TOTAL	(DESTROYED BY THE FIRE)													
NATIONAL L. S. COM. CO.	SELLING BUYING TOTAL	8 863	4 545.49	17 133	10 389.50	11 451	7 883.29	3 959	1 218.62	732	106.65	42 582	8 845.70	17 736	1 744.
C. E. NIXON & CO.	SELLING BUYING TOTAL	(DESTROYED BY THE FIRE)													
NORTHWESTERN L. S. COM. CO.	SELLING BUYING TOTAL	1 974	1 049.90	7 019	4 543.45	1 232	874.40	823	223.20	3	.45	12 812	2 414.87	2 964	231
SILAS PALMER & SONS	SELLING BUYING TOTAL	2 424	1 306.05	7 737	4 738.80	2 498	1 778.40	3 756	1 085.85	1 068	125.00	11 235	2 126.94	230	32
JOHN PATTERSON & SON	SELLING BUYING TOTAL	74	40.70	122	78.55	130	87.10	3	1.20	1	.15	307	51.90	-	
PETERSON, TURNBULL & COMPANY	SELLING BUYING TOTAL	2 276	1 267.85	4 901	3 185.30	1 303	953.25	1 302	436.25	595	91.49	18 594	4 144.13	359	78
RICE BROTHERS (APRIL DESTROYED BY FIRE)	SELLING BUYING TOTAL	2 931	1 490.00	7 115	4 340.05	4 620	3 196.30	1 849	573.10	429	69.75	20 820	4 043.45	3 219	305
ALEX RINDERLE & CO.	SELLING BUYING TOTAL	1 076	602.35	1 537	1 047.85	392	302.05	1 600	541.50	1 202	175.30	19 575	4 709.00	673	121
ROACH L. S. COM. COMPANY (JANUARY ONLY)	SELLING BUYING TOTAL	728	347.70	645	368.10	153	107.35	37	11.70	16	2.40	306	70.90	-	
CHAS. O. ROBINSON & CO. (APRIL DESTROYED BY FIRE)	SELLING BUYING TOTAL	395	207.20	1 874	1 126.00	2 270	1 541.60	81	26.10	164	22.85	1 054	231.95	687	76

NDLED BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934
nstances where records were destroyed by the fire)
UNDER SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS

SCHEDULE NO. 2

NO	SECRETARY'S COMMISSIONS								PRESENT COMMISSIONS				DIFFERENCE			
	SWINE				SHEEP		EXTRA CHARGES			EXTRA CHARGES						
	PIGS		HOGS				FOR	CHECKS	TOTAL	REGULAR	FOR	PRORATING	TOTAL	PRESENT OVER	PRESENT UNDER	NET	PERCENT OF
	HEAD	FOMMS	HEAD	COMMS	HEAD	COMMS	DRAFTS	& A/S		COMMS	DRAFTS	& A/S		SECY.	SECY.	REDUCTION	REDUCTION
	1	.15	321	77.05	–	–	1.50	1.25	264.40 NONE 264.40	341.65	7.95	7.05	356.65 NONE 356.65	93.31	1.06	92.25	25.86
	472	65.10	10 966	2 247.65	38	9.70	47.70	.10	4 227.25 NONE 4 227.25	5 429.98	5.55	11.15	5 446.68 NONE 5 446.68	1 261.24	41.81	1 219.43	22.39
	344	50.85	11 309	2 508.89	448	57.76	41.85	27.35	4 934.20 18.00 4 952.20	5 979.14	41.00	111.60	6 131.74 18.00 6 149.74	1 248.09	50.55	1 197.54	19.47
	806	117.05	15 750	3 335.45	988	124.15	94.10	.05	7 142.40 34.00 7 176.40	8 525.68	142.85	205.35	8 873.88 34.00 8 907.88	1 805.55	74.07	1 731.48	19.44
	211	31.15	3 556	784.05	21	5.45	12.60	–	1 784.15 NONE 1 784.15	2 287.24	13.20	–	2 300.44 NONE 2 300.44	544.45	28.16	516.29	22.44
	732	106.65	42 582	8 845.70	17 736	1 744.43	479.40	62.60	35 275.68 151.40 35 427.08	45 571.82	214.50	12.40	45 798.72 151.40 45 950.12	10 711.99	188.95	10 523.04	22.90
	3	.45	12 812	2 414.87	2 964	231.56	109.95	–	9 447.78 NONE 9 447.78	11 450.07	101.25	31.15	11 582.47 NONE 11 582.47	2 169.82	35.13	2 134.69	18.43
	1 068	125.00	11 235	2 126.94	230	52.35	353.95	.80	11 568.14 72.50 11 640.64	14 060.74	293.25	7.35	14 361.34 72.50 14 433.84	2 836.15	42.95	2 793.20	19.35
	1	.15	307	51.90	–	–	1.35	–	260.95 NONE 260.95	334.61	.90	–	335.51 NONE 335.51	74.66	.10	74.56	22.22
	595	91.49	18 594	4 144.13	359	78.65	77.85	11.25	10 246.02 75.70 10 321.72	13 146.35	30.75	21.90	13 199.00 75.70 13 274.70	3 008.78	55.80	2 952.98	22.25
	329	69.75	20 820	4 043.45	3 219	305.16	101.70	.35	14 119.86	18 204.37	116.55	226.48	18 547.40	4 491.57	64.03		

472	65.10	10 966	2 247.65	98	9.70	47.70	.10	4 227.25 NONE 4 227.25	5 429.98	5.55	11.15	5 446.68 NONE 5 446.68	1 261.24	41.81	1 219.43	22.39
344	50.85	11 309	2 508.89	448	57.76	41.85	27.35	4 934.20 18.00 4 952.20	5 979.14	41.00	111.60	6 131.74 18.00 6 149.74	1 248.09	50.55	1 197.54	19.47
806	117.05	15 750	3 335.45	988	124.15	94.10	.05	7 142.40 34.00 7 176.40	8 525.68	142.85	205.35	8 873.88 34.00 8 907.88	1 805.55	74.07	1 731.48	19.44
211	31.15	3 556	784.05	21	5.45	12.60	–	1 784.15 NONE 1 784.15	2 287.24	13.20	–	2 300.44 NONE 2 300.44	544.45	28.16	516.29	22.44
732	106.65	42 582	8 845.70	17 736	1 744.43	479.40	62.60	35 275.68 151.40 35 427.08	45 571.82	214.50	12.40	45 798.72 151.40 45 950.12	10 711.99	188.95	10 523.04	22.90
3	.45	12 812	2 414.87	2 964	231.56	109.95	–	9 447.78 NONE 9 447.78	11 450.07	101.25	31.15	11 582.47 NONE 11 582.47	2 169.82	35.15	2 134.69	18.43
1 068	125.00	11 235	2 126.94	230	52.35	353.95	.80	11 568.14 72.50 11 640.64	14 060.74	293.25	7.35	14 361.34 72.50 14 433.84	2 836.15	42.95	2 793.20	19.35
1	.15	307	51.90	–	–	1.35	–	260.95 NONE 260.95	334.61	.90	–	335.51 NONE 335.51	74.66	.10	74.56	22.22
595	91.49	18 594	4 144.13	359	78.65	77.85	11.25	10 246.02 75.70 10 321.72	13 146.35	30.75	21.90	13 199.00 75.70 13 274.70	3 008.78	55.80	2 952.98	22.25
429	69.75	20 820	4 043.45	3 219	305.16	101.70	.35	14 119.86 752.00 14 871.86	18 204.37	116.55	226.48	18 547.40 752.00 19 299.40	4 491.57	64.03	4 427.54	22.94
202	175.30	19 575	4 709.00	673	121.75	86.40	.20	7 586.40 13.50 7 599.90	9 204.55	73.65	215.25	9 493.45 13.50 9 506.95	1 997.68	90.63	1 907.05	20.06
16	2.40	306	70.90	–	–	5.00	2.40	915.55 NONE 915.55	1 058.55	4.20	3.00	1 065.75 NONE 1 065.75	151.30	1.10	150.20	14.09
164	22.85	1 054	231.95	687	76.50	28.20	.05	3 260.45 NONE 3 260.45	4 288.30	18.25	16.55	4 323.10 NONE 4 323.10	1 075.95	13.30	1 062.65	24.58

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE F
(Except in instances where records were dest
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS COMPA

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COMM													
		CATTLE						CALVES		SWINE				SHE	
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS			
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	
ROSENBAUM BROTHERS & CO. (APRIL DESTROYED BY FIRE)	SELLING	750	364.50	2 937	1 760.60	2 992	1 994.35	175	50.70	83	11.75	4 305	885.25	6 999	
	BUYING														
	TOTAL														
ST. JOHN, COMPTON, DUNBAR & CO.	SELLING	561	295.30	2 705	1 651.00	1 805	1 272.80	149	46.25	140	21.10	6 147	1 270.90	86	
	BUYING														
	TOTAL														
SARSFIELD & SCHROEDER COM. CO.	SELLING	532	284.90	1 134	735.50	280	214.10	1 250	426.15	169	25.65	15 009	3 073.19	223	
	BUYING														
	TOTAL														
A. P. SCHMAL	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
SCHROEDER L. S. COM. CO.	SELLING	889	486.15	2 068	1 290.45	557	410.30	1 608	506.55	389	59.90	220.40	4 246.70	125	
	BUYING														
	TOTAL														
SHELDON COM. CO.	SELLING	114	60.60	154	97.95	85	28.95	75	25.65	16	2.40	1 649	443.30	3	
	BUYING														
	TOTAL														
SHERWOOD & SON	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
SCHULTZ COM. CO.	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
W. R. SMITH & SON	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
E. SPENCER & CO.	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
STAFFORD BROTHERS	SELLING	1 689	1 008.95	5 222	3 416.55	1 755	1 300.60	1 092	368.35	481	70.05	15 960	3 554.43	993	
	BUYING														
	TOTAL														
STANDARD L. S. COM. CO.	SELLING	2 104	1 132.15	3 562	2 209.05	1 171	831.65	1 353	451.20	223	32.95	21 631	4 319.32	1 515	
	BUYING														
	TOTAL														
STARRETT L. S. COM. CO. (APRIL DESTROYED BY FIRE)	SELLING	979	497.80	1 022	643.60	134	104.25	376	113.00	6	.90	2 824	603.70	18	
	BUYING														
	TOTAL														

(APRIL DESTROYED BY FIRE)	BUYING TOTAL													
ST. JOHN, COMPTON, DUNBAR & CO.	SELLING	561	295.30	2 705	1 651.00	1 805	1 272.80	149	46.25	140	21.10	6 147	1 270.90	86
	BUYING													
	TOTAL													
SARSFIELD & SCHROEDER COM. CO.	SELLING	532	284.90	1 134	735.50	280	214.10	1 250	426.15	169	25.65	15 009	3 073.19	223
	BUYING													
	TOTAL													
A. P. SCHMAL	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
SCHROEDER L. S. COM. CO.	SELLING	889	486.15	2 068	1 290.45	557	410.30	1 608	506.55	389	59.90	220.40	4 246.70	125
	BUYING													
	TOTAL													
SHELDON COM. CO.	SELLING	114	60.60	154	97.95	85	28.95	75	25.65	16	2.40	1 649	443.30	3
	BUYING													
	TOTAL													
SHERWOOD & SON	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
SCHULTZ COM. CO.	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
W. R. SMITH & SON	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
E. SPENCER & CO.	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
STAFFORD BROTHERS	SELLING	1 689	1 008.95	5 222	3 416.55	1 755	1 300.60	1 092	368.35	481	70.05	15 960	3 554.43	993
	BUYING													
	TOTAL													
STANDARD L. S. COM. CO.	SELLING	2 104	1 132.15	3 562	2 209.05	1 171	831.65	1 353	451.20	223	32.95	21 631	4 319.32	1 515
	BUYING													
	TOTAL													
STARRETT L. S. COM. CO. (APRIL DESTROYED BY FIRE)	SELLING	979	497.80	1 022	643.60	134	104.25	376	113.00	6	.90	2 824	603.70	18
	BUYING													
	TOTAL													
STOCKMENS L. S. COM. CO. (INC HALPIN & CO. IN MAR. & APR.	SELLING	4 126	2 170.00	7 243	4 483.80	1 782	327.75	1 778	583.45	883	126.32	20 721	4 233.04	735
	BUYING													
	TOTAL													
C. W. HART	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
STEPHENSON COM. CO.	SELLING	76	42.05	300	187.30	43	31.75	356	108.75	65	16.25	7 625	1 382.12	12
	BUYING													
	TOTAL													

BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934

ces where records were destroyed in the fire)

R SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS

SCHEDULE NO. 2

SECRETARY'S COMMISSIONS								PRESENT COMMISSIONS				DIFFERENCE			
SWINE			SHEEP		EXTRA CHARGES		TOTAL	REGULAR COMMS	EXTRA CHARGES		TOTAL	PRESENT OVER SECY.	PRESENT UNDER SECY.	NET REDUCTION	PERCENT OF REDUCTION
	HOGS														
COMMS	HEAD	COMMS	HEAD	COMMS	FOR DRAFTS	CHECKS & A/S			FOR DRAFTS	PRORATING & A/S					
11.75	4 305	885.25	6 999	560.37	27.90	–	5 655.42	7 094.10	8.85	22.20	7 125.15	1 478.38	8.65		
							2.40				2.40				
							5 657.82				7 127.55			1 469.73	20.62
21.10	6 147	1 270.90	86	18.80	34.35	–	4 610.50	6 121.54	23.55	21.10	6 166.19	1 563.73	8.04		
							NONE				NONE				
							4 610.50				6 166.19			1 555.69	25.23
25.65	15 009	3 073.19	223	50.95	47.25	4.95	4 862.64	5 483.38	76.95	259.12	5 819.45	1 030.61	73.80		
							NONE				NONE				
							4 862.64				5 819.45			956.81	16.44
59.90	220.40	4 246.70	125	25.45	102.15	–	7 127.65	8 659.09	64.80	57.60	8 781.49	1 813.15	159.31		
							NONE				NONE				
							7 127.65				8 781.49			1 653.84	18.83
2.40	1 649	443.30	3	.85	9.45	–	669.15	764.50	14.85	27.15	806.50	156.42	19.07		
							NONE				NONE				
							669.15				806.50			137.35	17.03
70.05	15 960	3 554.43	993	136.08	114.00	6.85	9 975.86	12 472.95	138.30	190.95	12 802.20	2 920.74	94.40		
							380.55				380.55				
							10 356.41				13 182.75			2 826.34	21.44
32.95	21 631	4 319.32	1 515	195.90	132.30	4.05	9 308.57	11 509.52	180.95	123.45	11 813.92	2 596.01	90.66		
							32.80				32.80				
							9 341.37				11 846.72			2 505.35	21.15
on	2 824	603.70	19	4.90	31.05	–	1 999.20	2 683.35	4.05	2.50	2 689.90	694.00	3.30		

140	21.10	6 147	1 270.90	86	18.80	34.35	–	4 610.50 NONE 4 610.50	6 121.54	23.55	21.10	6 166.19 NONE 6 166.19	1 563,73	8.04	1 555.69	25.23
169	25.65	15 009	3 073.19	223	50.95	47.25	4.95	4 862.64 NONE 4 862.64	5 483.38	76.95	259.12	5 819.45 NONE 5 819.45	1 030.61	73.80	956.81	16.44
389	59.90	220.40	4 246.70	125	25.45	102.15	–	7 127.65 NONE 7 127.65	8 659.09	64.80	57.60	8 781.49 NONE 8 781.49	1 813.15	159.31	1 653.84	18.83
16	2.40	1 649	443.30	3	.85	9.45	–	669.15 NONE 669.15	764.50	14.85	27.15	806.50 NONE 806.50	156.42	12.07	137.35	17.03
481	70.05	15 960	3 554.43	993	136.08	114.00	6.85	9 975.86 380.55 10 356.41	12 472.95	138.30	190.95	12 802.20 380.55 13 182.75	2 920.74	94.40	2 826.34	21.41
223	32.95	21 631	4 319.32	1 515	196.90	132.30	4.05	9 308.57 32.80 9 341.37	11 509.52	180.95	123.45	11 813.92 32.80 11 846.72	2 596.01	90.66	2 505.35	21.15
6	.90	2 824	603.70	18	4.90	31.05	–	1 999.20 54.00 2 053.20	2 683.35	4.05	2.50	2 689.90 54.00 2 743.90	694.00	3.30	690.70	25.17
883	126.32	20 721	4 233.04	735	113.49	334.20	.40	13 372.45 166.50 13 538.95	15 615.70	307.05	344.70	16 267.45 166.50 16 433.95	3 028.03	133.03	2 895.00	17.62
65	16.25	7 625	1 382.12	12	4.75	4.65	.10	1 777.72 NONE 1 777.72	2 135.39	4.05	3.20	2 142.64 NONE 2 142.64	411.71	46.79	364.92	16.93

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE FOUR
(Except in instances where the records were dest
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS COMPARED

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COMM													
		CATTLE						CALVES		SWINE				SHE	
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS			
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	C
(INCLUDES ADLER SONS & CO.) SWANSON, GILMORE & CASTENHOLTZ (APRIL DESTROYED BY FIRE)	SELLING	3 353	1 777.30	8 676	5 327.55	5 322	3 675.05	2 013	598.35	2 331	226.25	30 248	6 066.14	1 578	
	BUYING														
	TOTAL														
SWINEY BROTHERS	SELLING	1 191	649.55	3 029	1 915.65	846	628.80	975	330.60	638	48.85	38 005	7 861.14	488	
	BUYING														
	TOTAL														
UNITED COM. CO.	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
GEORGE W. VON BERNER	SELLING	(DESTROYED BY THE FIRE)													
	BUYING														
	TOTAL														
DAVID C. WAGNER (APRIL DESTROYED BY FIRE,	SELLING	16	8.80	51	34.15	61	42.90	2	.60	106	13.25	2 611	449.30	9	
	IVING														
	TOTAL														
WALTER BROTHERS	SELLING	315	163.15	652	409.80	131	92.25	55	16.50	9	1.35	919	181.30	253	
	BUYING														
	TOTAL														
WALTERS & DUNBAR	SELLING	4 135	2 172.50	12 687	7 826.15	5 956	4 156.35	1 142	364.65	3 133	234.35	28 057	5 675.00	4 177	
	BUYING														
	TOTAL														
L. B. WORDEN	SELLING	164	90.20	551	354.85	169	133.75	24	7.50	35	5.25	943	226.20	-	
	BUYING														
	TOTAL														
W. W. WILSON & COMPANY	SELLING	2 136	1 221.65	5 379	3 518.40	1 436	1 088.75	2 234	707.55	653	102.00	22 372	4 894.37	1 034	
	BUYING														
	TOTAL														
E. F. WOELFER & CO.	SELLING	(DESTROYED BY FIRE)													
	BUYING														
	TOTAL														
WOOD BROTHERS	SELLING	4 123	2 390.80	10 646	6 475.60	4 709	3 265.20	1 104	360.30	573	85.10	15 764	3 201.65	28 671	2
	BUYING														
	TOTAL														
GLEN K. WOOD & CO. (APRIL DESTROYED BY FIRE)	SELLING	56	29.55	118	69.35	39	29.00	28	9.15	19	2.85	1 110	252.20	-	
	BUYING														
	TOTAL														
WILL C. WOOD & CO. (APRIL DESTROYED BY FIRE.)	SELLING	23	13.15	137	85.30	68	51.25	54	21.00	51	7.65	3 110	683.10	302	
	BUYING														
	TOTAL														
	SELLING	16	8.80	37	23.35	1	.75								

SWINEY BROTHERS	SELLING	1 191	649.55	3 029	1 915.65	846	628.80	975	330.60	638	48.85	38 005	7 861.14	488
	BUYING													
	TOTAL													
UNITED COM. CO.	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
GEORGE W. VON BERNER	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
DAVID C. WAGNER	SELLING	16	8.80	51	34.15	61	42.90	2	.60	106	13.25	2 611	449.30	9
(APRIL DESTROYED BY FIRE)	BUYING													
	TOTAL													
WALTER BROTHERS	SELLING	315	163.15	652	409.80	131	92.25	55	16.50	9	1.35	919	181.30	253
	BUYING													
	TOTAL													
WALTERS & DUNBAR	SELLING	4 135	2 172.50	12 687	7 826.15	5 956	4 156.35	1 142	364.65	3 133	234.35	28 057	5 675.00	4 177
	BUYING													
	TOTAL													
L. B. WERDEN	SELLING	164	90.20	551	354.85	169	133.75	24	7.50	35	5.25	943	226.20	-
	BUYING													
	TOTAL													
W. W. WILSON & COMPANY	SELLING	2 136	1 221.65	5 379	3 518.40	1 436	1 088.75	2 234	707.55	653	102.00	22 372	4 894.37	1 034
	BUYING													
	TOTAL													
E. F. WOELFER & CO.	SELLING	(DESTROYED BY FIRE)												
	BUYING													
	TOTAL													
WOOD BROTHERS	SELLING	4 123	2 390.80	10 646	6 475.60	4 709	3 265.20	1 104	360.30	573	85.10	15 764	3 201.65	28 671
	BUYING													
	TOTAL													
GLEN K. WOOD & CO.	SELLING	56	29.55	118	69.35	39	29.00	28	9.15	19	2.85	1 110	252.20	-
(APRIL DESTROYED BY FIRE)	BUYING													
	TOTAL													
WILL C. WOOD & CO.	SELLING	23	13.15	137	85.30	68	51.25	54	21.00	51	7.65	3 110	683.10	302
(APRIL DESTROYED BY FIRE)	BUYING													
	TOTAL													
W. E. YOUNG	SELLING	16	8.80	37	23.35	1	.75	-	-	16	2.40	92	21.50	1
(APRIL DESTROYED BY FIRE)	BUYING													
	TOTAL													
CHAS. L. WILLS & CO.	SELLING	(DESTROYED BY THE FIRE)												
	BUYING													
	TOTAL													
H. O. THOMPSON & COMPANY	SELLING	279	155.15	849	542.95	174	141.90	182	61.20	58	8.70	4 285	938.35	34
(MAR. & APR. DESTROYED)	BUYING													
	TOTAL													

DUCED BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934
instances where the records were destroyed in the fire)
UNDER SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS

SCHEDULE NO. 2

D	SECRETARY'S COMMISSIONS								PRESENT COMMISSIONS				DIFFERENCE			
	SWINE				SHEEP		EXTRA CHARGES			EXTRA CHARGES						
	PIGS		HOGS				FOR	CHECKS	TOTAL	REGULAR	FOR	PRORATING	TOTAL	PRESENT OVER	PRESENT UNDER	NET	PERCENT OF
	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	DRAFTS	& A/S		COMMS	DRAFTS	& A/S		SECY.	SECY.	REDUCTION	REDUCTION
	2 331	226.25	30 248	6 066.14	1 578	223.42	167.70	–	18 061.76	23 212.78	172.60	–	23 385.38	5 369.85	46.23		
									108.50				108.50				
									18 170.26				23 493.88			5 323.62	22.65
	638	48.85	38 005	7 861.14	488	88.92	140.35	82.70	11 746.56	13 795.06	232.80	309.75	14 337.61	2 744.85	153.80		
									35.90				35.90				
									11 782.46				14 373.51			2 591.05	18.03
	106	13.25	2 611	449.30	9	2.40	10.95	.50	562.85	691.90	7.00	6.00	704.90	146.68	4.63		
									NONE				NONE				
									562.85				704.90			142.05	20.1
	9	1.35	919	181.30	253	26.51	24.05	.30	915.21	1 125.39	21.15	6.10	1 152.64	242.93	5.50		
									NONE				NONE				
									915.21				1 152.64			237.43	20.59
	3 133	234.35	28 057	5 675.00	4 177	354.60	211.05	45.80	21 040.45	26 535.10	174.05	96.75	26 805.90	5 849.05	83.60		
									176.00				176.00				
									21 216.45				26 981.90			5 765.45	21.37
	35	5.25	943	226.20	–	–	–	.35	818.10	1 096.45	–	–	1 096.45	282.95	4.60		
									NONE				NONE				
									818.10				1 096.45			278.35	25.39
	653	102.00	22 372	4 894.37	1 034	192.59	169.35	.30	11 894.96	14 368.43	250.35	194.02	14 812.80	3 067.39	149.55		
									20.50				20.50				
									11 915.46				14 833.30			2 917.84	19.67
	573	85.10	15 764	3 201.65	28 671	2 132.96	193.80	63.95	18 169.36	22 754.81	163.75	146.40	23 064.96	4 990.60	95.00		
									51.30				51.30				
									18 220.66				23 116.26			4 895.60	21.18
	19	2.85	1 110	252.20	–	–	3.00	–	395.10	473.25	6.90	14.65	494.80	100.70	1.00		
									NONE				NONE				
									395.10				494.80			99.70	20.14
	51	7.65	3 110	683.10	302	28.16	3.90	–	893.51	971.30	19.05	61.80	1 052.75	187.04	27.80		
									NONE				NONE				
									893.51				1 052.75			159.24	15.12
			93	21.50	1	.35	.45	–	57.60	77.05	.45	–	77.50	19.90	–		

	48.65	38 005	7 861.14	488	88.92	140.35	82.70	11 746.56 35.90 11 782.46	13 795.06	232.80	309.75	14 337.61 35.90 14 373.51	2 744.85	153.80	2 591.05	18.03
106	13.25	2 611	449.30	9	2.40	10.95	.50	562.85 NONE 562.85	691.90	7.00	6.00	704.90 NONE 704.90	146.68	4.63	142.05	20.15
9	1.35	919	181.30	253	26.51	24.05	.30	915.21 NONE 915.21	1 125.39	21.15	6.10	1 152.64 NONE 1 152.64	242.93	5.50	237.43	20.59
3 133	234.35	28 057	5 675.00	4 177	354.60	211.05	45.80	21 040.45 176.00 21 216.45	26 535.10	174.05	96.75	26 805.90 176.00 26 981.90	5 849.05	83.60	5 765.45	21.37
35	5.25	943	226.20	–	–	–	.35	818.10 NONE 818.10	1 096.45	–	–	1 096.45 NONE 1 096.45	282.95	4.60	278.35	25.39
653	102.00	22 372	4 894.37	1 034	192.59	169.35	.30	11 894.96 20.50 11 915.46	14 368.43	250.35	194.02	14 812.80 20.50 14 833.30	3 067.39	149.55	2 917.84	19.67
573	85.10	15 764	3 201.65	28 671	2 132.96	193.80	63.95	18 169.36 51.30 18 220.66	22 754.81	163.75	146.40	23 064.96 51.30 23 116.26	4 990.60	95.00	4 895.60	21.18
19	2.85	1 110	252.20	–	–	3.00	–	395.10 NONE 395.10	473.25	6.90	14.65	494.80 NONE 494.80	100.70	1.00	99.70	20.14
51	7.65	3 110	683.10	302	28.16	3.90	–	893.51 NONE 893.51	971.90	19.05	61.80	1 052.75 NONE 1 052.75	187.04	27.80	159.24	15.12
16	2.40	92	21.50	1	.35	.45	–	57.60 NONE 57.60	77.05	.45	–	77.50 NONE 77.50	19.90	–	19.90	25.68
58	8.70	4 285	938.35	34	8.75	13.65	–	1 870.65 NONE 1 870.65	2 317.30	19.75	59.95	2 397.00 NONE 2 397.00	538.80	12.45	526.35	21.96

VOLUME OF LIVESTOCK HANDLED BY PETITIONERS DURING THE
(Except in instances where records were de
SHOWING THE COMMISSIONS UNDER SECRETARY'S RATES AS CO

NAME OF FIRM	SERVICE	ANALYSIS OF CONSIGNMENTS AND SECRETARY'S COM												S
		CATTLE						CALVES		SWINE				
		LIGHT		MEDIUM		HEAVY				PIGS		HOGS		
		HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HEAD	COMMS	HE
QUINN COM. COMPANY (MAR. & APR. DESTROYED)	SELLING BUYING TOTAL	653	339.15	3 083	1 823.35	300	224.05	401	119.20	92	9.75	2 070	459.65	
HALPIN LIVE STOCK COM. CO. (MARCH ONLY)	SELLING BUYING TOTAL	194	106.10	308	198.35	103	73.00	168	48.10	1	.15	201	47.55	
SHOTT L. S. COM. CO.	SELLING BUYING TOTAL	159	88.95	133	90.75	105	74.15	265	86.60	242	33.05	12 033	2 316.77	
ALL FIRMS	SELLING BUYING TOTAL	120 502	3965.81	315 652	192811.12	132 685	92784.73	95 128	28671.64	40 456	4 940.89	908 242	88952.28	571

BY PETITIONERS DURING THE FOUR MONTHS ENDED APRIL 30, 1934
nces where records were destroyed in the fire)
R SECRETARY'S RATES AS COMPARED WITH THE PRESENT COMMISSIONS

SCHEDULE NO. 2

SECRETARY'S COMMISSIONS								PRESENT COMMISSIONS				DIFFERENCE			
SWINE			SHEEP		EXTRA CHARGES		TOTAL	REGULAR COMMS	EXTRA CHARGES		TOTAL	PRESENT OVER SECY.	PRESENT UNDER SECY.	NET REDUCTION	PERCENT OF REDUCTION
	HOGS				FOR DRAFTS	CHECKS & A/S			FOR DRAFTS	PRORATING & A/S					
COMMS	HEAD	COMMS	HEAD	COMMS											
9.75	2 070	459.65	8	2.50	84.90	-	3 062.55	3 693.35	63.80	32.10	3 789.25	732.85	6.15		
							NONE				NONE				
							3 062.55				3 789.25			726.70	19.16
.15	201	47.55	-	-	21.30	-	494.55	609.90	18.75	2.25	630.90	137.00	.65		
							NONE				NONE				
							494.55				630.90			136.35	21.61
33.05	12 033	2 316.77	39	8.95	20.85	3.20	2 723.27	3 170.22	29.55	101.90	3 301.67	651.82	73.42		
							NONE				NONE				
							2 723.27				3 301.67			578.40	17.52
940.89	908 242	88952.28	571 532	42952.00	7746.90	815.90	623 641.27	775 637.62	6 401.92	6 269.36	788 306.90	169743.88	5 076.25		
							8 103.55				8 103.55				
							631 744.82				796 412.45			164667.63	20.88

IN THE DISTRICT COURT OF
FOR THE NORTHERN DISTRICT OF
EQUITY NO

STATEMENT OF COMMISSIONS,

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH T

NOTE:- The 1934 figures cover Jany. Feby. Mar. & Apr. unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS				APPR ADJ MEN
				ACTUAL		% OF ACTUAL	SECRETARY'S ORDER		EXCLUDING APPRAISALS				
				TOTAL	PER HEAD		TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL	PER HEAD	
1	STRADER BROTHERS	1932	5 272	$ 1 817	.3446	79.32	$ 1 441	2 734	$ 963	$ 962	$ 1 925	.3651	$ 1
		1933	(DECEASED)										
		1934	(DECEASED)										
2	ADAMS, CORRICK & HATCH	1932	72 209	25 534	.3536	76.94	19 646	.2721	10 566	15 663	26 229	.3632	1
		1933	68 906	23 803	.3454	76.94	18 314	.2658	10 930	12 873	23 803	.3454	1
		1934	20 984	8 267	.3942	76.94	6 364	.3033	3 669	4 598	8 267	.3940	
3	ADLER SONS & CO.	1932	11 704	5 125	.4379	77.35	3 964	.3387	3 313	2 224	5 537	.4731	1
		1933	14 226	5 936	.4173	77.35	4 591	.3227	3 230	2 706	5 936	.4173	1
		1934	(INCLUDED IN SWANSON, GILMORE & CASTENHOLTZ)										
4	ALEXANDER CONOVER CO.	1932	384 023	143 814	.3745	79.91	114 922	.2993	28 398	89 678	118 076	.3075	9
		1933	284 103	125 292	.4410	79.91	100 121	.3524	30 398	86 958	117 356	.4131	9
		1934	155 002	45 951	.2965	79.91	36 719	.2369	9 400	28 709	38 109	.2459	3
5	LOUIS ARMBRECHT COM. CO.	1932	3 966	2 067	.5212	73.02	1 509	.3805	1 055	1 119	2 174	.5482	
		1933	3 085	1 288	.4175	73.02	941	.3050	650	638	1 288	.4169	
		1934	1 112	520	.4676	73.02	380	.3417	279	241	520	.4676	
6	BAKER, HEYNE & CO.	1932	116 027	41 262	.3556	84.37	34 813	.3000	17 094	27 307	44 401	.3827	6
		1933	112 764	43 506	.3856	84.37	36 706	.3255	13 530	28 289	41 819	.3709	6
		1934	36 075	13 571	.3762	84.37	11 450	.3174	4 600	7 865	12 465	.3455	2
7	SULLIVAN COM. CO.	1932	696	249	.3567	79.32	198	.2837	139	122	261	.3739	
		1933	(DECEASED)										
		1934	(DECEASED)										
8	BARTON, LOONEY & CO.	1932	25 636	12 758	.4977	76.78	9 796	.3821	7 905	5 701	13 606	.5307	2
		1933	22 983	13 030	.5669	76.78	10 004	.4353	8 554	4 476	13 030	.5670	2
		1934	8 428	4 841	.5744	76.78	3 717	.4410	2 620	740	3 360	.3987	
9	BENTON & CO.	1932	21 974	7 134	.3246	78.86	5 626	.2560	4 908	2 658	7 566	.3443	1
		1933	28 615	9 704	.3391	78.86	7 653	.2674	4 776	4 928	9 704	.3391	1
		1934	10 966	3 729	.3401	78.86	2 941	.2682	1 974	1 756	3 729	.3401	
	BOWLES L. S. COM. CO.	1932	274 211	73 926	.2696	79.32	58 638	.2138	28 597	49 874	78 471	.2862	4
		1933	(DESTROYED BY FIRE)										
		1934	(DESTROYED BY FIRE)										
	SWANSON, GILMORE & CASTENHOLZ	1932	174 725	71 167	.4073	77.35	55 048	.3151	18 240	55 430	73 670	.4216	10
		1933	183 692	82 462	.4489	77.35	63 784	.3472	18 240	54 698	72 938	.3971	10
		1934	49 033	23 243	.4740	77.35	17 978	.3667	4 800	14 378			

			HEAD			% OF			OWNERS'	OTHER	TOTAL		MER
				TOTAL	PER HEAD	ACTUAL	TOTAL	PER HEAD	SALARIES	SALY & EXPS	TOTAL	PER HEAD	
1	STRADER BROTHERS	1932	5 272	$ 1 817	.3446	79.32	$ 1 441	2 734	$ 963	$ 962	$ 1 925	.3651	$ 1
		1933	(DECEASED)										
		1934	(DECEASED)										
2	ADAMS, CORRICK & HATCH	1932	72 209	25 534	.3536	76.94	19 646	.2721	10 566	15 663	26 229	.3632	1
		1933	68 906	23 803	.3454	76.94	18 314	.2658	10 930	12 873	23 803	.3454	1
		1934	20 984	8 267	.3942	76.94	6 364	.3033	3 669	4 598	8 267	.3940	
3	ADLER SONS & CO.	1932	11 704	5 125	.4379	77.35	3 964	.3387	3 313	2 224	5 537	.4731	1
		1933	14 226	5 936	.4173	77.35	4 591	.3227	3 230	2 706	5 936	.4173	1
		1934	(INCLUDED IN SWANSON, GILMORE & CASTENHOLTZ)										
4	ALEXANDER CONOVER CO.	1932	384 023	143 814	.3745	79.91	114 922	.2993	28 398	89 678	118 076	.3075	9
		1933	284 103	125 292	.4410	79.91	100 121	.3524	30 398	86 958	117 356	.4131	9
		1934	155 002	45 951	.2965	79.91	36 719	.2369	9 400	28 709	38 109	.2459	3
5	LOUIS ARMBRECHT COM. CO.	1932	3 966	2 067	.5212	73.02	1 509	.3805	1 055	1 119	2 174	.5482	
		1933	3 085	1 288	.4175	73.02	941	.3050	650	638	1 288	.4169	
		1934	1 112	520	.4676	73.02	380	.3417	279	241	520	.4676	
6	BAKER, HEYNE & CO.	1932	116 027	41 262	.3556	84.37	34 813	.3000	17 094	27 307	44 401	.3827	6
		1933	112 764	43 506	.3856	84.37	36 706	.3255	13 530	28 289	41 819	.3709	6
		1934	36 075	13 571	.3762	84.37	11 450	.3174	4 600	7 865	12 465	.3455	2
7	SULLIVAN COM. CO.	1932	696	249	.3567	79.32	198	.2837	139	122	261	.3739	
		1933	(DECEASED)										
		1934	(DECEASED)										
8	BARTON, LOONEY & CO.	1932	25 636	12 758	.4977	76.78	9 796	.3821	7 905	5 701	13 606	.5307	2
		1933	22 983	13 030	.5669	76.78	10 004	.4353	8 554	4 476	13 030	.5670	2
		1934	8 428	4 841	.5744	76.78	3 717	.4410	2 620	740	3 360	.3987	
9	BENTON & CO.	1932	21 974	7 134	.3246	78.86	5 626	.2560	4 908	2 658	7 566	.3443	1
		1933	28 615	9 704	.3391	78.86	7 653	.2674	4 776	4 928	9 704	.3391	1
		1934	10 966	3 729	.3401	78.86	2 941	.2682	1 974	1 756	3 729	.3401	
	BOWLES L. S. COM. CO.	1932	274 211	73 926	.2696	79.32	58 638	.2138	28 597	49 874	78 471	.2862	4
		1933	(DESTROYED BY FIRE)										
		1934	(DESTROYED BY FIRE)										
11	SWANSON, GILMORE & CASTENHOLZ	1932	174 725	71 167	.4073	77.35	55 048	.3151	18 240	55 430	73 670	.4216	10
		1933	183 692	82 462	.4489	77.35	63 784	.3472	18 240	54 698	72 938	.3971	10
		1934	49 033	23 243	.4740	77.35	17 978	.3667	4 800	14 378	19 178	.3911	2
12	ABE BURNETT & CO.	1932	19 657	8 641	.4396	75.64	6 536	.3325	35	8 174	8 809	.4481	2
		1933	(DESTROYED BY FIRE)										
		1934	6 533	2 833	.4336	75.64	2 143	.3280	282	2 740	3 022	.4626	
13	BYERS BROTHERS & CO.	1932	16 345	5 691	.3482	79.32	4 514	2 762	1 544	7 310	8 854	.5417	3
		1933	(OUT OF BUSINESS)										
		1934	(OUT OF BUSINESS)										
14	CALLAHAN L. S. COM. CO.	1932	14 286	3 036	.2125	79.32	2 408	.1686	1 897	1 251	3 148	.2203	1
		1933	7 090	1 280	.1805	79.32	1 015	.1432	752	528	1 280	.1805	1
		1934	2 291	415	.1811	79.32	329	.1436	270	145	415	.1811	

E DISTRICT COURT OF THE UNITED STATES
NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,889

Petitioners' Exhibit No. 2
Witness, Earle D. Mudd.

MISSIONS, COSTS AND PROFIT OR LOSS

, AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS					PROFIT OR LOSS											
ISALS	TOTAL		APRAISAL ADJUST-MENTS.	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
TOTAL	PER HEAD		TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
$ 1 925	.3651	$ 1 437	$ 3 362	.6377	$ 108	.0205	5.61	$ 1 545	.2931	45.95	$ 484	.0918	25.14	$ 1 921	.3644	57.14
26 229	.3632	1 934	28 163	.3900	695	.0096	2.65	2 629	.0364	9.33	6 583	.0912	25.10	8 517	.1179	30.24
23 803	.3454	1 934	25 737	.3735	–	–	–	1 934	.0281	7.51	5 489	.0797	23.06	7 423	.1077	28.84
8 267	.3940	645	8 912	.4247	–	–	–	645	.0307	7.24	1 903	.0907	23.02	2 548	.1214	28.59
5 537	.4731	1 438	4 099	.3502	412	.0352	7.44	1 026	.0877	25.03	1 573	.1344	28.41	135	.0115	3.29
5 936	.4173	1 438	4 498	.3162	–	–	–	1 438	.1011	31.97	1 345	.0945	22.66	93	.0065	2.07
118 076	.3075	9 352	127 428	.3318	25 738	.0670	21.80	16 386	.0427	12.86	3 154	.0082	2.67	12 506	.0326	9.81
117 356	.4131	9 352	126 708	.4460	7 936	.0279	6.76	1 416	.0050	1.12	17 235	.0607	14.69	26 587	.0936	20.98
38 109	.2459	3 117	41 226	.2660	7 842	.0506	20.58	4 725	.0305	11.46	1 390	.0090	3.65	4 507	.0291	10.93
2 174	.5482	445	2 619	.6604	107	.0270	4.92	552	.1392	21.08	665	.1677	30.59	1 110	.2799	42.38
1 288	.4169	445	1 733	.5611	–	–	–	443	.1436	25.59	347	.1125	26.94	790	.2561	45.64
520	.4676	148	668	.6007	–	–	–	148	.1331	22.16	140	.1259	26.92	288	.2590	43.11
44 401	.3827	6 406	50 807	.4379	3 139	.0271	7.07	9 545	.0823	18.79	9 588	.0826	21.59	15 994	.1378	31.48
41 819	.3709	6 406	48 225	.4277	1 687	.0150	4.03	4 719	.0418	9.79	5 113	.0453	12.23	11 519	.1022	23.89
12 465	.3455	2 135	14 600	.4047	1 106	.0307	8.87	1 029	.0285	7.05	1 015	.0281	8.14	3 150	.0873	21.58
261	.3739	299	560	.6023	12	.0172	4.60	311	.4456	55.46	63	.0903	24.14	362	.5186	64.64
13 606	.5307	2 095	15 701	.6125	848	.0330	6.23	2 943	.1148	18.74	3 810	.1486	28.00	5 905	.2303	37.61
13 030	.5670	2 095	15 125	.6581	–	–	–	2 096	.0912	13.86	3 026	.1317	23.22	5 122	.2229	33.86
3 360	.3987	698	4 058	.4815	1 481	.1757	44.08	783	.0929	19.30	357	.0424	10.63	341	.0405	8.40
7 566	.3443	1 908	5 658	.2575	432	.0197	5.71	1 476	.0671	26.09	1 940	.0883	25.64	32	.0015	.57
9 704	.3391	1 908	7 796	.2724	–	–	–	1 909	.0667	24.49	2 051	.0717	21.14	142	.0050	1.82
3 729	.3401	636	3 093	.2821	–	–	–	635	.0579	20.52	788	.0719	21.13	153	.0140	4.95
78 471	.2862	4 253	82 724	.3017	4 545	.0166	5.79	8 798	.0321	10.64	19 833	.0723	25.27	24 086	.0878	29.12
73 670	.4216	10 260	83 930	.4804	2 503	.0143	3.40	12 763	.0731	15.21	18 622	.1066	25.28	28 882	.1653	34.41
72 938	.3971	10 260	83 198	.4529	9 524	.0518	13.06	736	.0040	.88	9 154	.0498	12.55	19 414	.1057	23.33
[illegible]	[illegible]	2 565	21 743	.4134	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

$ 1 925	.3651	$ 1 437	$ 3 362	.6377	$ 108	.0205	5.61	$ 1 545	.2931	45.95	$ 484	.0918	25.14	$ 1 921	.3644	57.14
26 229	.3632	1 934	28 163	.3900	695	.0096	2.65	2 629	.0364	9.33	6 583	.0912	25.10	8 517	.1179	30.24
23 803	.3454	1 934	25 737	.3735	–	–	–	1 934	.0281	7.51	5 489	.0797	23.06	7 423	.1077	28.84
8 267	.3940	645	8 912	.4247	–	–	–	645	.0307	7.24	1 903	.0907	23.02	2 548	.1214	28.59
5 537	.4731	1 438	4 099	.3502	412	.0352	7.44	1 026	.0877	25.03	1 573	.1344	28.41	135	.0115	3.29
5 936	.4173	1 438	4 498	.3162	–	–	–	1 438	.1011	31.97	1 345	.0945	22.66	93	.0065	2.07
118 076	.3075	9 352	127 428	.3318	25 738	.0670	21.80	16 386	.0427	12.86	3 154	.0082	2.67	12 506	.0326	9.81
117 356	.4131	9 352	126 708	.4460	7 936	.0279	6.76	1 416	.0050	1.12	17 235	.0607	14.69	26 587	.0936	20.98
38 109	.2459	3 117	41 226	.2660	7 842	.0506	20.58	4 725	.0305	11.46	1 390	.0090	3.65	4 507	.0291	10.93
2 174	.5482	445	2 619	.6604	107	.0270	4.92	552	.1392	21.08	665	.1677	30.59	1 110	.2799	42.38
1 288	.4169	445	1 733	.5611	–	–	–	443	.1436	25.55	347	.1125	26.94	790	.2561	45.64
520	.4676	148	668	.6007	–	–	–	148	.1331	22.16	140	.1259	26.92	288	.2590	43.11
44 401	.3827	6 406	50 807	.4379	3 139	.0271	7.07	9 545	.0823	18.79	9 588	.0826	21.59	15 994	.1378	31.48
41 819	.3709	6 406	48 225	.4277	1 687	.0150	4.03	4 719	.0418	9.79	5 113	.0453	12.23	11 519	.1022	23.89
12 465	.3455	2 135	14 600	.4047	1 106	.0307	8.87	1 029	.0285	7.05	1 015	.0281	8.14	3 150	.0873	21.58
261	.3739	299	560	.8023	12	.0172	4.60	311	.4456	55.46	63	.0903	24.14	362	.5186	64.64
13 606	.5307	2 095	15 701	.6125	848	.0330	6.23	2 943	.1148	18.74	3 810	.1486	28.00	5 905	.2303	37.61
13 030	.5670	2 095	15 125	.6581	–	–	–	2 096	.0912	13.86	3 026	.1317	23.22	5 122	.2229	33.86
3 360	.3987	698	4 058	.4815	1 481	.1757	44.08	783	.0929	19.30	357	.0424	10.63	341	.0405	8.40
7 566	.3443	1 908	5 658	.2575	432	.0197	5.71	1 476	.0671	26.09	1 940	.0883	25.64	32	.0015	.57
9 704	.3391	1 908	7 796	.2724	–	–	–	1 909	.0667	24.49	2 051	.0717	21.14	142	.0050	1.82
3 729	.3401	636	3 093	.2821	–	–	–	635	.0579	20.52	788	.0719	21.13	153	.0140	4.95
78 471	.2862	4 253	82 724	.3017	4 545	.0166	5.79	8 798	.0321	10.64	19 833	.0723	25.27	24 086	.0878	29.12
73 670	.4216	10 260	83 930	.4804	2 503	.0143	3.40	12 763	.0731	15.21	18 622	.1066	25.28	28 882	.1653	34.41
72 938	.3971	10 260	83 198	.4529	9 524	.0518	13.06	736	.0040	.88	9 154	.0498	12.55	19 414	.1057	23.33
19 178	.3911	2 565	21 743	.4434	4 065	.0829	21.20	1 500	.0306	6.90	1 200	.0245	6.26	3 765	.0768	17.32
8 809	.4481	2 965	11 774	.5990	168	.0085	1.91	3 133	.1594	26.61	2 273	.1156	25.80	5 238	.2665	44.49
3 022	.4626	988	4 010	.6138	189	.0289	6.25	1 177	.1802	29.35	879	.1345	29.09	1 867	.2858	46.56
8 854	.5417	3 476	12 330	.7544	3 163	.1935	35.72	6 639	.4062	53.84	4 340	.2655	49.02	7 816	.4782	63.39
3 148	.2203	1 103	4 251	.2976	112	.0078	3.56	1 215	.0851	28.58	740	.0518	23.51	1 843	.1290	43.35
1 280	.1805	1 103	2 383	.3361	–	–	–	1 103	.1556	46.29	265	.0374	20.70	1 368	.1929	57.41
415	.1611	276	691	.3016	–	–	–	276	.1205	39.94	86	.0375	20.72	362	.1580	52.39

IN THE DISTRICT COURT O
FOR THE NORTHERN DISTRICT O
EQUITY

STATEMENT OF COMMISSIONS C O

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH RA

NOTE:- The 1934 figures cover Jany. Feby. Mar. & Apr. unless otherwise indicated

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS				APP
				ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL		AD MC
											TOTAL	PER HEAD	
15	HARRY L. CARPENTER	1932	15 008	4 131	.2752	79.32	3 277	.2184	2 043	2 221	4 264	.2841	
		1933	19 329	5 475	.2833	79.32	4 342	.2246	2 658	2 817	5 475	.2833	
		1934	6 783	1 898	.2798	79.32	1 505	.2219	950	948	1 898	.1001	
16	CENTRAL L. S. COM. CO.	1932	85 319	32 138	.3767	84.58	27 182	.3186	3 923	31 917	35 840	.420:	11
		1933	56 091	27 457	.4895	84.58	23 223	.4140	6 211	22 097	28 308	.5047	11
		1934	16 096	8 594	.5339	84.58	7 269	.4516	3 219	6 561	9 780	.6076	3
17	CLARK BOWLES & CO.	1932	3 201	956	.2987	79.32	758	.2368	552	1 892	2 444	.7635	
		1933	3 809	3 212	.8433	79.32	2 548	.6689	1 394	3 713	5 107	1.3408	
		1934	(DESTROYED BY FIRE)										
18	JOHN CLAY & CO.	1932	782 239	179 580	.2296	77.21	138 654	.1773	–	141 612	141 612	.1810	-
		1933	873 558	188 122	.2154	77.21	145 249	.1663	–	129 126	129 126	.1478	-
		1934	282 242	60 757	.2153	77.21	46 910	.1662	–	48 260	48 260	.1710	-
19	COCHRAN, HENNEBERRY & WALLACE	1932	135 485	46 194	.3410	78.88	36 438	.2689	15 902	31 481	47 383	.3498	14
		1933	150 201	46 288	.3082	78.88	36 512	.2431	16 128	30 160	46 288	.3082	14
		1934	39 817	15 726	.3950	78.88	12 405	.3116	6 111	9 615	15 726	.3950	4
20	CONKLIN BROS. COM. CO.	1932	148 024	57 762	.3902	79.41	45 869	.3099	8 000	52 295	60 295	.4073	7
		1933	154 506	56 037	.3627	79.41	44 499	.2880	7 333	43 376	50 709	.3282	7
		1934	48 952	20 974	.4285	79.41	16 655	.3402	2 400	13 796	16 196	.3309	2
21	H. D. COPELAND & CO.	1932	177 252	63 721	.3595	79.32	50 543	.3067	22 044	40 840	62 884	.3548	10
		1933	164 609	66,285	.4022	79.32	52 577	.3190	26 294	36 706	63 000	.3823	10
		1934	(DESTROYED BY FIRE)										
22	SWINEY BROTHERS	1932	146 529	42 828	.2923	81.97	35 106	.2396	17 280	25 492	42 772	.2919	9
		1933	134 011	39 638	.2958	81.97	32 491	.2425	15 945	23 693	39 638	.2958	9
		1934	44 711	13 971	.3125	81.97	11 452	.2561	6 882	7 089	13 971	.3125	3
23	DOLAN LUDEMAN & CO.	1932	122 792	46 258	.3767	79.32	36 692	.2988	16 832	31 877	48 709	.3967	8
		1933	119 092	57 425	.4822	79.32	45 550	.3825	14 350	41 683	56 033	.4705	4
		1934	(DESTROYED BY FIRE)										
24	DROVERS COM. CO.	1932	105 187	45 385	.4315	80.66	36 608	.3480	10 800	32 270	43 070	.4095	8
		1933	116 665	50 098	.4294	80.66	40 409	.3464	9 600	31 119	40 719	.3490	8
		1934	43 585	21 327	.4893	80.66	17 202	.3947	4 000	13 846	17 846	.4095	1
25	DUNBAR, ST. JOHN CO.	1932											
		1933	(INCLUDED IN COPELAND & CO.)										
		1934											

No.			HEAD	TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS.	TOTAL TOTAL	TOTAL PER HEAD	ADJUSTMENTS
15	HARRY L. CARPENTER	1932	15 008	4 131	.2752	79.32	3 277	.2184	2 043	2 221	4 264	.2841	56
		1933	19 329	5 475	.2833	79.32	4 342	.2246	2 658	2 817	5 475	.2833	56
		1934	6 783	1 898	.2798	79.32	1 505	.2219	950	948	1 898	.1081	14
16	CENTRAL L. S. COM. CO.	1932	85 319	32 138	.3767	84.58	27 182	.3186	3 923	31 917	35 840	.4201	11 297
		1933	56 091	27 457	.4895	84.58	23 223	.4140	6 211	22 097	28 308	.5047	11 297
		1934	16 096	8 594	.5339	84.58	7 269	.4516	3 219	6 561	9 780	.6076	3 765
17	CLARK BOWLES & CO.	1932	3 201	956	.2987	79.32	758	.2368	552	1 892	2 444	.7635	348
		1933	3 809	3 212	.8433	79.32	2 548	.6689	1 394	3 713	5 107	1.3408	348
		1934	(DESTROYED BY FIRE)										
18	JOHN CLAY & CO.	1932	782 239	179 580	.2296	77.21	138 654	.1773	—	141 612	141 612	.1810	—
		1933	873 558	188 122	.2154	77.21	145 249	.1663	—	129 126	129 126	.1478	—
		1934	282 242	60 757	.2153	77.21	46 910	.1662	—	48 260	48 260	.1710	—
19	COCHRAN, HENNEBERRY & WALLACE	1932	135 485	46 194	.3410	78.88	36 438	.2689	15 902	31 481	47 383	.3498	14 098
		1933	150 201	46 288	.3082	78.88	36 512	.2431	16 128	30 160	46 288	.3082	14 098
		1934	39 817	15 726	.3950	78.88	12 405	.3116	6 111	9 615	15 726	.3950	4 699
20	CONKLIN BROS. COM. CO.	1932	148 024	57 762	.3902	79.41	45 869	.3099	8 000	52 295	60 295	.4073	7 000
		1933	154 506	56 037	.3627	79.41	44 499	.2880	7 333	43 376	50 709	.3282	7 000
		1934	48 952	20 974	.4285	79.41	16 655	.3402	2 400	13 796	16 196	.3309	2 333
21	H. D. COPELAND & CO.	1932	177 252	63 721	.3595	79.32	50 543	.3067	22 044	40 840	62 884	.3548	10 406
		1933	164 609	66 285	.4022	79.32	52 577	.3190	26 294	36 706	63 000	.3823	10 406
		1934	(DESTROYED BY FIRE)										
22	SWINEY BROTHERS	1932	146 529	42 828	.2923	81.97	35 106	.2396	17 280	25 492	42 772	.2919	9 720
		1933	134 011	39 638	.2958	81.97	32 491	.2425	15 945	23 693	39 638	.2958	9 720
		1934	44 711	13 971	.3125	81.97	11 452	.2561	6 882	7 089	13 971	.3125	3 237
23	DOLAN LUDEMAN & CO.	1932	122 792	46 258	.3767	79.32	36 692	.2988	16 832	31 877	48 709	.3967	8 488
		1933	119 092	57 425	.4822	79.32	45 550	.3825	14 350	41 683	56 033	.4705	4 916
		1934	(DESTROYED BY FIRE)										
24	DROVERS COM. CO.	1932	105 187	45 385	.4315	80.66	36 608	.3480	10 800	32 270	43 070	.4095	5 200
		1933	116 665	50 095	.4294	80.66	40 409	.3464	9 600	31 119	40 719	.3490	5 200
		1934	43 585	21 327	.4893	80.66	17 202	.3947	4 000	13 846	17 846	.4095	1 733
25	DUNBAR, ST. JOHN CO.	1932											
		1933	(INCLUDED IN COPELAND & CO.)										
		1934											
26	H. L. DUNNING & CO.	1932	68 494	24 965	.3645	79.60	19 872	.2901	4 310	22 686	26 996	.3942	2 590
		1933	57 216	21 537	.3764	79.60	17 143	.2996	4 211	16 917	21 128	.3693	2 590
		1934	13 571	6 665	.4911	79.60	5 305	.3909	1 035	5 602	6 637	.4891	863
27	H. O. THOMPSON & CO.	1932	28 917	10 328	.3572	78.04	8 060	.2787	5 917	4 593	10 510	.3635	1 088
		1933	24 418	9 725	.3983	78.04	7 589	.3108	4 031	5 694	9 725	.3983	1 088
	JAN. & FEB.	1934	5 861	2 397	.4090	78.04	1 871	.3192	1 097	1 300	2 397	.4090	181
28	ETTLINGER L. S. COM. CO.	1932	48 966	15 313	.3127	78.40	12 005	.2452	2 889	11 933	14 822	.3027	99
		1933	29 743	10 966	.3687	78.40	8 597	.2890	3 081	7 790	10 871	.3655	99
		1934	9 309	3 291	.3535	78.40	2 580	.2772	901	2 390	3 291	.3535	33

N THE DISTRICT COURT OF THE UNITED STATES
HE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

MISSIONS COSTS AND PROFIT OF LOSS

AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS					PROFIT OR LOSS								
PPRAISALS		APPRAISAL ADJUST-MENTS	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
S TOTAL	PER HEAD		TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
4 264	.2841	56	4 320	.2878	133	.0089	3.12	189	.0126	4.38	987	.0658	23.15	1 043	.0695	24.14
5 475	.2833	56	5 531	.2862	–	–	–	56	.0029	1.01	1 133	.0586	20.69	1 189	.0615	21.50
1 898	.1001	14	1 912	.2822	–	–	–	14	.0020	.84	393	.0579	20.71	407	.0600	21.37
35 840	.4201	11 297	47 137	.5525	3 702	.0434	10.33	14 999	.1758	31.82	8 658	.1015	24.16	19 955	.2339	42.33
28 308	.5047	11 297	39 605	.7061	851	.0152	3.01	12 148	.2166	30.67	5 085	.0907	17.96	16 382	.2921	41.36
9 780	.6076	3 765	13 545	.8415	1 186	.0737	12.13	4 951	.3076	36.55	2 511	.1560	25.67	6 276	.3899	46.33
2 444	.7635	348	2 792	.8722	1 488	.4648	60.88	1 836	.5735	65.76	1 686	.5267	68.99	2 034	.6354	72.85
5 107	1.3408	348	5 455	1.4321	1 895	.4975	37.11	2 243	.5889	11.12	2 559	.6718	50.11	2 907	.7632	53.29
141 612	.1810	–	141 612	.1810	37 968	.0486	26.81	37 968	.0486	26.81	2 958	.0038	2.09	2 958	.0038	2.09
129 126	.1478	–	129 126	.1478	58 996	.0675	45.69	58 996	.0675	45.69	16 123	.0185	12.49	16 123	.0185	12.49
48 260	.1710	–	48 260	.1710	12 497	.0443	25.90	12 497	.0443	25.90	1 350	.0048	2.80	1 350	.0048	2.80
47 383	.3498	14 098	61 481	.4538	1 189	.0088	2.51	15 287	.1128	24.86	10 945	.0808	23.10	25 043	.1848	40.73
46 288	.3082	14 098	60 386	.4020	–	–	–	14 098	.0939	23.35	9 776	.0651	21.12	23 874	.1589	39.54
15 726	.3950	4 699	20 425	.5130	–	–	–	4 699	.1180	23.01	3 321	.0834	21.12	8 020	.2014	39.27
60 295	.4073	7 000	67 295	.4546	2 533	.0171	4.20	9 533	.0644	14.17	14 426	.0975	23.93	21 426	.1447	31.84
50 709	.3282	7 000	57 709	.3735	5 328	.0345	10.51	1 672	.0108	2.90	6 210	.0402	12.25	13 210	.0855	22.89
16 196	.3309	2 333	18 529	.3785	4 778	.0976	29.50	2 445	.0499	13.20	459	.0094	2.84	1 874	.0383	10.11
62 884	.3548	10 406	73 290	.4135	837	.0047	1.33	9 569	.0540	13.06	12 341	.0696	19.63	22 747	.1283	31.04
63 000	.3823	10 406	73 406	.4454	3 285	.0199	5.21	7 121	.0432	9.70	10 423	.0632	16.54	20 829	.1264	28.38
42 772	.2919	9 720	52 492	.3582	56	.0004	.13	9 664	.0659	18.41	7 666	.0523	17.92	17 386	.1187	33.12
39 638	.2958	9 720	49 358	.3683	–	–	–	9 720	.0725	19.69	7 147	.0533	16.03	16 867	.1259	34.17
13 971	.3125	3 237	17 208	.3849	–	–	–	3 237	.0724	18.81	2 519	.0563	16.03	5 756	.1287	33.45
48 709	.3967	8 488	57 197	.4658	2 451	.0200	5.03	10 939	.0891	19.13	12 017	.0979	24.67	20 505	.1670	35.85
56 033	.4705	4 916	60 949	.5118	1 392	.0117	2.48	3 524	.0296	5.78	10 483	.0880	18.71	15 399	.1293	25.27
43 070	.4095	5 200	48 270	.4589	2 315	.0220	5.37	2 885	.0274	5.98	6 462	.0614	15.00	11 662	.1109	24.16
40 719	.3490	5 200	45 919	.3936	9 379	.0804	23.03	4 179	.0358	9.10	310	.0053	.76	5 510	.0472	12.00
17 846	.4095	1 733	19 579	.4492	3 481	.0799	19.51	1 748	.0401	8.93	644	.0148	3.61	2 377	.0545	12.14

CEPS	TOTAL		AJUSTE-MENTS													
	TOTAL	PER HEAD		TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
2 221	4 264	.2841	56	4 320	.2878	133	.0089	3.12	189	.0126	4.38	987	.0658	23.15	1 043	.0695	24.14
2 817	5 475	.2833	56	5 531	.2862	–	–	–	56	.0029	1.01	1 133	.0586	20.69	1 189	.0615	21.50
948	1 898	.1001	14	1 912	.2832	–	–	–	14	.0020	.84	393	.0579	20.71	407	.0600	21.37
1 917	35 840	.4201	11 297	47 137	.5525	3 702	.0434	10.33	14 999	.1758	31.82	8 658	.1015	24.16	19 965	.2339	42.33
2 097	28 308	.5047	11 297	39 605	.7061	851	.0152	3.01	12 148	.2166	30.67	5 085	.0907	17.96	16 382	.2921	41.36
5 361	9 780	.6076	3 765	13 545	.8415	1 186	.0737	12.13	4 951	.3076	36.55	2 511	.1560	25.67	6 276	.3899	46.33
1 892	2 444	.7635	348	2 792	.8722	1 488	.4648	60.88	1 836	.5735	65.76	1 686	.5267	68.99	2 034	.6354	72.85
3 713	5 107	1.3408	348	5 455	1.4321	1 895	.4975	37.11	2 243	.5889	11.12	2 559	.6718	50.11	2 907	.7632	53.29
1 612	141 612	.1810	–	141 612	.1810	37 968	.0486	26.81	37 968	.0486	26.81	2 958	.0038	2.09	2 958	.0038	2.09
9 126	129 126	.1478	–	129 126	.1478	58 996	.0675	45.69	58 996	.0675	45.69	16 123	.0185	12.49	16 123	.0185	12.49
3 260	48 260	.1710	–	48 260	.1710	12 497	.0443	25.90	12 497	.0443	25.90	1 350	.0048	2.80	1 350	.0048	2.80
1 481	47 383	.3498	14 098	61 481	.4538	1 189	.0088	2.51	15 287	.1128	24.86	10 945	.0808	23.10	25 043	.1848	40.73
2 160	46 288	.3082	14 098	60 386	.4020	–	–	–	14 098	.0939	23.35	9 776	.0651	21.12	23 874	.1589	39.54
9 615	15 726	.3950	4 699	20 425	.5130	–	–	–	4 699	.1180	23.01	3 321	.0834	21.12	8 020	.2014	39.27
2 295	60 295	.4073	7 000	67 295	.4546	2 533	.0171	4.20	9 533	.0644	14.17	14 426	.0975	23.93	21 426	.1447	31.84
3 376	50 709	.3282	7 000	57 709	.3735	5 328	.0345	10.51	1 672	.0108	2.90	6 210	.0402	12.25	13 210	.0855	22.89
3 796	16 196	.3309	2 333	18 529	.3785	4 778	.0976	29.50	2 445	.0499	13.20	459	.0094	2.84	1 874	.0383	10.11
0 840	62 884	.3548	10 406	73 290	.4135	837	.0047	1.33	9 569	.0540	13.06	12 341	.0696	19.63	22 747	.1283	31.04
5 706	63 000	.3823	10 406	73 406	.4454	3 285	.0199	5.21	7 121	.0432	9.70	10 423	.0632	16.54	20 829	.1264	28.38
3 492	42 772	.2919	9 720	52 492	.3582	56	.0004	.13	9 664	.0659	18.41	7 666	.0523	17.92	17 386	.1187	33.12
1 693	39 638	.2958	9 720	49 358	.3683	–	–	–	9 720	.0725	19.69	7 147	.0533	16.03	16 867	.1259	34.17
7 089	13 971	.3125	3 237	17 208	.3849	–	–	–	3 237	.0724	18.81	2 519	.0563	18.03	5 756	.1287	33.45
877	48 709	.3967	8 488	57 197	.4658	2 451	.0200	5.03	10 939	.0891	19.13	12 017	.0979	24.67	20 505	.1670	35.85
603	56 033	.4705	4 916	60 949	.5118	1 392	.0117	2.48	3 524	.0296	5.78	10 483	.0880	18.71	15 399	.1293	25.27
2 270	43 070	.4095	5 200	48 270	.4589	2 315	.0220	5.37	2 885	.0274	5.98	6 462	.0614	15.00	11 662	.1109	24.16
119	40 719	.3490	5 200	45 919	.3936	9 379	.0804	23.03	4 179	.0358	9.10	310	.0053	.76	5 510	.0472	12.00
3	17 846	.4095	1 733	19 579	.4492	3 481	.0799	19.51	1 748	.0401	8.93	644	.0148	3.61	2 377	.0545	12.14
686	26 996	.3942	2 590	29 586	.4320	2 031	.0297	7.52	4 621	.0675	15.62	7 124	.1040	26.39	9 714	.1418	32.83
917	21 128	.3693	2 590	23 718	.4145	409	.0071	1.94	2 181	.0381	9.20	3 985	.0696	37.72	6 575	.1149	27.72
602	6 637	.4891	863	7 500	.5526	28	.0021	.42	835	.0615	11.13	1 332	.0982	20.07	2 195	.1617	29.27
593	10 510	.3635	1 082	11 592	.4009	182	.0063	1.73	1 264	.0437	10.90	2 450	.0847	23.31	3 532	.1221	30.47
264	9 725	.3983	1 082	10 807	.4426	–	–	–	1 082	.0443	10.01	2 136	.0875	21.96	3 218	.1318	29.78
200	2 397	.4090	180	2 577	.4397	–	–	–	180	.0307	6.99	526	.0897	21.94	706	.1205	27.40
993	14 822	.3027	991	15 813	.3229	491	.0100	3.31	500	.0102	3.16	2 817	.0575	19.01	3 808	.0778	24.08
790	10 871	.3655	991	11 862	.3988	95	.0032	.89	896	.0301	7.55	2 274	.0765	20.92	3 265	.1098	27.52
290	3 291	.3535	330	3 621	.3890	–	–	–	330	.0354	9.11	711	.0764	21.60	1 041	.1118	28.75

IN THE DISTRICT COURT
FOR THE NORTHERN DISTRICT
EQUITY

STATEMENT OF COMMISSIONS,

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH PA

NOTE:- The 1934 figures cover Jany. Feby. Mar. & Apr. unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS				AP
				ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL TOTAL	TOTAL PER HEAD	
29	EVANS, SNIDER, BUEL CO.	1932	126 168	28 213	.2336	80.13	22 607	.1792	11 355	18 504	29 859	.2366	
		1933	111 494	29 456	.2642	80.13	23 603	.2117	11 896	17 217	29 113	.2611	
		1934	28 257	9 143	.3236	80.13	7 326	.2593	3 360	5 467	8 827	.3124	
30	FILLER, WILSON & MCCLELLAND	1932	76 695	30 259	.3945	79.32	24 001	.3129	14 450	18 090	32 540	.4242	
		1933	70 535	28 734	.4074	79.32	22 792	.3231	11 485	16 129	27 614	.3915	
		1934	(DESTROYED BY FIRE)										
31	FRED FREEMAN	1932	1 033	408	.3950	79.32	324	.3137	204	213	417	.4037	
		1933	1 825	716	.3923	79.32	568	.3112	716	-	716	.3923	
		1934	(DESTROYED BY FIRE)										
32	I. O. FRY	1932	4 461	1 931	.4329	79.32	1 532	.3434	1 225	823	2 048	.4591	
		1933	2 807	1 585	.5647	79.32	1 257	.4478	753	832	1 585	.5647	
		1934	958	528	.5511	79.32	419	.4374	191	337	528	.5511	
33	WM. GENTLEMAN & SONS	1932	147 598	65 479	.4436	80.36	52 619	.3565	40 572	29 478	70 050	.4746	
		1933	149 787	63 232	.4221	80.36	50 813	.3392	36 225	24 674	60 899	.4066	
		1934	51 750	22 563	.4360	80.36	18 132	.3504	12 500	8 115	20 615	.3984	
34	GILLOGLY & CO.	1932	156 154	44 991	.2881	78.92	35 507	.2274	26 262	24 314	50 576	.3239	
		1933	170 386	60 147		78.92	47 468	.2786	26 338	32 718	59 056	.3466	
		1934	45 984	20 385	.4433	78.92	16 088	.3499	7 600	9 623	17 223	.3745	
35	GREENWOOD COM. CO.	1932	31 667	9 548	.3015	84.35	8 054	.2543	5 908	3 828	9 736	.3074	
		1933	34 828	10 666	.3062	84.35	8 997	.2583	4 438	6 228	10 666	.3062	
		1934	13 306	3 975	.2987	84.35	3 353	.2520	1 917	2 058	3 975	.2987	
36	HAIME & RENEKER	1932	19 983	8 970	.4489	79.32	7 115	.3561	4 223	5 462	9 685	.4847	
		1933	24 164	9 832	.4069	79.32	7 799	.3228	6 259	3 573	9 832	.4069	
		1934	(DESTROYED BY FIRE)										
37	CHAS. E. HARDING CO.	1932	88 036	26 657	.3028	79.32	21 144	.2402	4 634	28 748	33 382	.3792	
		1933	86 587	30 167	.3484	79.32	23 928	.2764	8 287	25 964	34 251	.3956	
		1934	(DESTROYED BY FIRE)										
38	UNITED COM. CO.	1932	89 292	37 957	.4251	79.32	30 107	.3372	13 204	27 062	40 266	.4509	
		1933	120 354	47 415	.3940	79.32	37 610	.3125	7 951	36 283	44 234	.3675	
		1934	36 314	14 787	.4072	79.32	11 729	.3230	3 476	11 854	15 330	.4222	
39	GEORGE W. VON BERNER	1932	19 846	4 411	.2223	79.32	3 499	.1763	2 576	2 018	4 594	.2315	
		1933	12 037	2 961	.2460	79.32	2 349	.3903	1 530	1 431	2 961	.2460	
		1934	(INCLUDED IN FILLER, WILSON & MCCLELLAND)										

			HEAD		% OF			OWNERS'	OTHER	TOTAL	
			TOTAL	PER HEAD	ACTUAL	TOTAL	PER HEAD	SALARIES	SALY & EXPS	TOTAL	PER HEAD
29	EVANS, SNIDER, BUEL CO.	1932	126 168	28 213	.2336	80.13	22 607	.1792	11 355	18 504	29 859	.2366
		1933	111 494	29 456	.2642	80.13	23 603	.2117	11 896	17 217	29 113	.2611
		1934	28 257	9 143	.3236	80.13	7 326	.2593	3 360	5 467	8 827	.3124
30	FILLER, WILSON & MCCLELLAND	1932	76 695	30 259	.3945	79.32	24 001	.3129	14 450	18 090	32 540	.4242
		1933	70 535	28 734	.4074	79.32	22 792	.3231	11 485	16 129	27 614	.3915
		1934	(DESTROYED BY FIRE)									
31	FRED FREEMAN	1932	1 033	408	.3950	79.32	324	.3137	204	213	417	.4037
		1933	1 825	716	.3923	79.32	568	.3112	716	-	716	.3923
		1934	(DESTROYED BY FIRE)									
32	I. O. FRY	1932	4 461	1 931	.4329	79.32	1 532	.3434	1 225	823	2 048	.4591
		1933	2 807	1 585	.5647	79.32	1 257	.4478	753	832	1 585	.5647
		1934	958	528	.5511	79.32	419	.4374	191	337	528	.5511
33	WM. GENTLEMAN & SONS	1932	147 598	65 479	.4436	80.36	52 619	.3565	40 572	29 478	70 050	.4746
		1933	149 787	63 232	.4221	80.36	50 813	.3392	36 225	24 674	60 899	.4066
		1934	51 750	22 563	.4360	80.36	18 132	.3504	12 500	8 115	20 615	.3984
34	GILLOGLY & CO.	1932	156 154	44 991	.2881	78.92	35 507	.2274	26 262	24 314	50 576	.3239
		1933	170 386	60.147		78.92	47 468	.2786	26 338	32 718	59 056	.3466
		1934	45 984	20 385	.4433	78.92	16 088	.3499	7 600	9 623	17 223	.3745
35	GREENWOOD COM. CO.	1932	31 667	9 548	.3015	84.35	8 054	.2543	5 908	3 828	9 736	.3074
		1933	34 828	10 666	.3062	84.35	8 997	.2583	4 438	6 228	10 666	.3062
		1934	13 306	3 975	.2987	84.35	3 353	.2520	1 917	2 058	3 975	.2987
36	HAIME & RENEKER	1932	19 983	8 970	.4489	79.32	7 115	.3561	4 223	5 462	9 685	.4847
		1933	24 164	9 832	.4069	79.32	7 799	.3228	6 259	3 573	9 832	.4069
		1934	(DESTROYED BY FIRE)									
37	CHAS. E. HARDING CO.	1932	88 036	26 657	.3028	79.32	21 144	.2402	4 634	28 748	33 382	.3792
		1933	86 587	30 167	.3484	79.32	23 928	.2764	8 287	25 964	34 251	.3956
		1934	(DESTROYED BY FIRE)									
38	UNITED COM. CO.	1932	89 292	37 957	.4251	79.32	30 107	.3372	13 204	27 062	40 266	.4509
		1933	120 354	47 415	.3940	79.32	37 610	.3125	7 951	36 283	44 234	.3675
		1934	36 314	14 787	.4072	79.32	11 729	.3230	3 476	11 854	15 330	.4222
39	GEORGE W. VON BERNER	1932	19 846	4 411	.2223	79.32	3 499	.1763	2 576	2 018	4 594	.2315
		1933	12 037	2 961	.2460	79.32	2 349	.3903	1 530	1 431	2 961	.2460
		1934	(INCLUDED IN FILLER, WILSON & MCCLELLAND)									
40	HEFNER COM. CO.	1932	82 473	32 164	.3900	80.95	26 037	.3157	16 800	17 536	34 336	.4163
		1933	119 524	43 736	.3659	80.95	35 404	.2962	22 800	19 794	42 594	.3564
		1934	41 225	16 361	.3969	80.95	13 244	.3213	6 000	7 664	13 664	.3314
41	GEO. F. HOGAN	1932	1 192	443	.3716	79.32	351	.2945	264	273	537	.4505
		1933	(DECEASED)									
		1934	(DECEASED)									
42	HOLLOWAY & OGREN	1932	93 166	28 314	.3039	79.32	22 459	.2411	14 854	14 398	29 252	.3140
		1933	106 562	30 864	.2896	79.32	24 481	.2297	19 806	11 018	30 824	.2893
		1934	(DESTROYED BY FIRE)									

THE DISTRICT COURT OF THE UNITED STATES
E NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13 829

MISSIONS, COSTS AND PROFIT OR LOSS

AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS					PROFIT OR LOSS											
PRAISALS			APPRAISAL ADJUST- MENTS	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
TOTAL	TOTAL	PER HEAD		TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
29 859	.2366	1 845		31 704	.2513	1 646	.0130	5.51	3 491	.0277	11.01	7 252	.0575	24.29	9 097	.0721	28.69
29 113	.2611	1 845		30 958	.2777	343	.0031	1.18	1 502	.0135	4.85	5 510	.0494	18.93	7 355	.0660	23.75
8 827	.3124	615		9 442	.3341	316	.0112	3.58	299	.0106	3.17	1 501	.0531	17.00	2 116	.0749	22.41
32 540	.4242	950		31 590	.4119	2 281	.0297	7.01	1 331	.0174	4.21	8 539	.1113	26.24	7 589	.0990	24.02
27 614	.3915	950		26 664	.3780	1 120	.0159	4.06	2 070	.0293	7.76	4 822	.0684	17.46	3 872	.0549	14.52
417	.4037	996		1 413	1.3679	9	.0087	2.16	1 005	.9729	71.13	93	.0900	22.30	1 089	1.0542	77.07
716	.3923	996		1 712	.9381	-	-	-	996	.5458	58.18	148	.0811	20.67	1 144	.6268	66.82
2 048	.4591	57		2 623	.5880	117	.0262	5.71	692	.1551	26.38	516	.1157	25.20	1 091	.2446	41.59
1 585	.5647	575		2 160	.7695	-	-	-	575	.2048	26.62	328	.1169	20.69	903	.3217	41.81
528	.5511	192		720	.7516	-	-	-	192	.2004	26.67	109	.1138	20.64	301	.3142	41.81
70 050	.4746	53		70 103	.4749	4 571	.0310	6.53	4 624	.0313	6.60	17 431	.1181	24.88	17 484	.1185	24.94
60 899	.4066	53		60 952	.4069	2 333	.0155	3.83	2 280	.0152	3.74	10 086	.0673	16.56	10 139	.0677	16.63
20 615	.3984	18		20 633	.3987	1 948	.0376	9.45	1 930	.0373	9.35	2 483	.0480	12.04	2 501	.0483	12.12
50 576	.3289	1 093		51 669	.3309	5 585	.0358	11.04	6 678	.0428	12.92	15 069	.0965	29.79	16 162	.1035	31.28
59 056	.3466	1 093		60 149	.3530	1 091	.0064	1.85	2	-	-	11 588	.0680	19.62	12 681	.0744	21.08
17 223	.3745	364		17 587	.3824	3 162	.0688	16.36	2 798	.0608	15.91	1 135	.0247	6.59	1 499	.0326	8.52
9 736	.3074	92		9 828	.3104	186	.0059	1.93	280	.0089	2.85	1 682	.0531	17.28	1 774	.0560	18.05
10 666	.3062	92		10 758	.3089	-	-	-	92	.0026	.86	1 669	.0479	15.65	1 761	.0506	16.37
3 975	.2987	31		4 006	.3011	-	-	-	31	.0023	.77	622	.0467	15.65	653	.0491	16.30
9 685	.4847	2 977		12 662	.6336	715	.0358	7.38	3 692	.1847	29.16	2 570	.1286	26.54	5 547	.2776	43.81
9 832	.4069	2 977		12 809	.5301	-	-	-	2 977	.1232	23.24	2 033	.0841	20.68	5 010	.2073	39.11
33 382	.3792	7 366		40 748	.4629	6 725	.0764	20.14	14 091	.1601	34.58	12 238	.1390	36.66	19 604	.2227	48.11
34 251	.3956	7 366		41 617	.4806	4 084	.0472	11.92	11 450	.1322	27.51	10 323	.1192	30.14	17 689	.2043	42.50
40 266	.4509	7 116		47 382	.5306	2 309	.0258	5.73	9 425	.1055	19.90	10 159	.1138	25.23	17 275	.1935	36.46
44 234	.3675	7 389		51 623	.4289	3 181	.0264	7.19	4 206	.0350	8.15	6 624	.0550	14.97	14 013	.1164	27.14
5 330	.4222	2 463		17 793	.4900	543	.0150	8.54	3 006	.0828	16.90	3 601	.0992	23.49	6 064	.1670	34.08
[illegible]	.2915			4 518	.2277	183	.0092	3.98	107	.0058	2.37	1 095	.0552	23.84	1 019	.0513	22.56

1 896	17 217	29 113	.2611	1 845	30 958	.2777	343	.0031	1.18	1 502	.0135	4.85	5 510	.0494	18.99	7 355	.0660	25.28
3 360	5 467	8 827	.3124	615	9 442	.3341	316	.0112	3.58	299	.0106	3.17	1 501	.0531	17.00	2 116	.0749	22.41
14 450	18 090	32 540	.4242	950	31 590	.4119	2 281	.0297	7.01	1 331	.0174	4.21	8 539	.1113	26.24	7 589	.0990	24.02
11 485	16 129	27 614	.3915	950	26 664	.3780	1 120	.0159	4.06	2 070	.0293	7.76	4 822	.0684	17.46	3 872	.0549	14.52
204	213	417	.4037	996	1 413	1.3679	9	.0087	2.16	1 005	.9729	71.13	93	.0900	22.30	1 089	1.0542	77.07
716	–	716	.3923	996	1 712	.9381	–	–	–	996	.5458	58.18	148	.0811	20.67	1 144	.6268	66.82
1 225	823	2 048	.4591	571	2 623	.5880	117	.0262	5.71	692	.1551	26.38	516	.1157	25.20	1 091	.2446	41.59
753	832	1 585	.5647	575	2 160	.7695	–	–	–	575	.2048	26.62	328	.1169	20.69	903	.3217	41.81
191	337	528	.5511	192	720	.7516	–	–	–	192	.2004	26.67	109	.1138	20.64	301	.3142	41.81
40 572	29 478	70 050	.4746	53	70 103	.4749	4 571	.0310	6.53	4 624	.0313	6.60	17 431	.1181	24.88	17 484	.1185	24.94
36 225	24 674	60 899	.4066	53	60 952	.4069	2 333	.0155	3.83	2 280	.0152	3.74	10 086	.0673	16.56	10 139	.0677	16.63
12 500	8 115	20 615	.3984	18	20 633	.3987	1 948	.0376	9.45	1 930	.0373	9.35	2 483	.0480	12.04	2 501	.0483	12.12
26 262	24 314	50 576	.3239	1 093	51 669	.3309	5 585	.0358	11.04	6 678	.0428	12.92	15 069	.0965	29.79	16 162	.1035	31.28
26 338	32 718	59 056	.3466	1 093	60 149	.3530	1 091	.0064	1.85	2	–	–	11 588	.0680	19.62	12 681	.0744	21.08
7 600	9 623	17 223	.3745	364	17 587	.3624	3 162	.0688	18.36	2 798	.0608	15.91	1 135	.0247	6.59	1 499	.0326	8.52
5 908	3 828	9 736	.3074	92	9 828	.3104	188	.0059	1.93	280	.0089	2.85	1 682	.0531	17.28	1 774	.0560	18.05
4 438	6 228	10 666	.3062	92	10 758	.3089	–	–	–	92	.0026	.86	1 669	.0479	15.65	1 761	.0506	16.37
1 917	2 058	3 975	.2987	31	4 006	.3011	–	–	–	31	.0023	.77	622	.0467	15.65	653	.0491	16.30
4 223	5 462	9 685	.4847	2 977	12 662	.6336	715	.0358	7.38	3 692	.1847	29.16	2 570	.1286	26.54	5 547	.2776	43.81
6 259	3 573	9 832	.4069	2 977	12 809	.5301	–	–	–	2 977	.1232	23.24	2 035	.0841	20.68	5 010	.2073	39.11
14 634	28 748	33 382	.3792	7 366	40 748	.4629	9 725	.0764	20.14	14 091	.1601	34.56	12 238	.1390	36.66	19 604	.2227	48.11
18 287	25 964	34 251	.3956	7 366	41 617	.4806	4 084	.0472	11.92	11 450	.1322	27.51	10 323	.1192	30.14	17 689	.2043	42.50
13 204	27 062	40 266	.4509	7 116	47 382	.5306	2 309	.0258	5.73	9 425	.1055	19.90	10 159	.1138	25.23	17 275	.1935	36.46
7 951	36 283	44 234	.3675	7 389	51 623	.4289	3 181	.0264	7.19	4 206	.0350	8.15	6 624	.0550	14.97	14 013	.1164	27.14
3 476	11 854	15 330	.4222	2 463	17 793	.4900	543	.0150	3.54	3 006	.0828	16.90	3 601	.0992	23.49	6 064	.1670	34.08
2 576	2 018	4 594	.2315		4 518	.2277	183	.0092	3.98	107	.0054	2.37	1 095	.0552	23.84	1 019	.0513	22.53
1 530	1 431	2 961	.2460		2 885	.2397	–	–	–	76	.0063	2.63	612	.0508	20.67	536	.0445	18.58
16 800	17 536	34 336	.4163		32 536	.3945	2 172	.0263	6.33	372	.0045	1.14	8 299	.1006	24.17	6 499	.0788	19.97
22 800	19 794	42 594	.3564		40 794	.3413	1 142	.0100	2.68	2 942	.0246	7.21	7 190	.0602	16.88	5 390	.0451	13.21
6 000	7 664	13 664	.3314		13 064	.3169	2 697	.0654	19.74	3 297	.0800	25.24	420	.0102	3.07	180	.0044	1.38
264	273	537	.4505	936	1 473	1.2357	94	.0789	17.50	1 030	.8641	69.93	186	.1560	34.64	1 122	.9413	76.17
14 854	14 398	29 252	.3140		27 873	.2992	948	.0101	3.21	441	.0047	1.58	6 793	.0729	23.22	5 414	.0581	19.43
19 806	11 018	30 824	.2893		29 445	.2763	40	.0004	.13	1 419	.0133	4.82	6 343	.0595	20.58	4 964	.0466	16.86

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN D
EQUITY NO. 13,829

STATEMENT OF COMMISSIONS, COSTS AND

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S

NOTE:- The 1934 figures cover Jany. Feby. Mar. & April unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS						
				ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS.	INCLUDING APPRAISALS	
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL	PER HEAD		TOTAL	PER HEAD
		1932	88 447	40 362	.4563	79.32	32 015	.3620	16 963	23 087	40 050	.4528	4 358	44 408	.502
43	IOWA L. S. COM. CO.	1933	97 668	69 155	.7081	79.32	54 854	.5616	22 972	38 516	61 488	.6296	4 358	65 846	.6742
		1934	42 823	25 197	.5884	79.32	19 986	.4667	5 950	14 861	20 811	.4860	1 451	22 262	.5199
		1932	19 008	4 340	.2283	79.85	3 465	.1823	2 118	2 321	4 439	.2335	382	4 821	.2536
44	DAVID C. WAGNER	1933	16 555	3 830	.2314	79.85	3 058	.1847	2 494	1 336	3 830	.2314	382	4 212	.2544
		1934	2 856	705	.2468	79.85	563	.1971	458	247	705	.2468	96	801	.2805
		1932	236 922	88 541	.3737	78.63	69 620	.2939	16 667	63 168	79 835	.3370	20 333	100 168	.4228
45	WALTERS & DUNBAR	1933	219 063	85 522	.3904	78.63	67 246	.3070	26 810	58 250	85 060	.3883	20 333	105 393	.4811
		1934	60 431	25 625	.4240	78.63	20 149	.3334	5 000	18 776	23 776	.3934	6 777	30 553	.5056
		1932	6 763	3 346	.4948	79.41	2 657	.3929	1 072	2 475	3 547	.5245	367	3 914	.5787
46	WALTERS BROTHERS	1933	9 736	5 432	.5579	79.41	4 314	.4431	1 552	2 845	4 397	.4516	367	4 764	.4893
	(JAN. FEB. & MARCH)-	1934	1 763	1 051	.5961	79.41	835	.4736	623	428	1 051	.5961	92	1 143	.6483
		1932	14 964	1 563	.1044	79.32	1 240	.0829	1 285	351	1 636	.1093	1 715	3 351	.2239
47	KNETTLE BROTHERS	1933	20 424	2 001	.0980	79.32	1 587	.0777	1 815	186	2 001	.0980	1 715	3 716	.1819
		1934	(DESTROYED BY FIRE)												
		1932	225 595	67 989	.3014	84.16	57 220	.2536	7 134	57 833	64 967	.2880	10 499	75 466	.3345
48	KUENSTER L. S. COM. CO.	1933	231 987	84 090	.3625	84.16	70 770	.3051	8 148	67 460	75 608	.3259	10 499	86 107	.3712
		1934	85 660	34 061	.3976	84.16	28 666	.3346	2 800	24 472	27 272	.3184	3 496	30 768	.3592
		1932	7 653	1 205	.1574	79.32	956	.1249	368	894	1 262	.1649	832	2 094	.2736
49	JOHN A WATERS L. S. COM. CO.	1933	(DESTROYED BY FIRE)												
		1934	(DESTROYED BY FIRE)												
	LAMBRIGHT, KEYS & HUSTON	1932	22 720	9 404	.4139	79.84	7 508	.3305	5 608	4 762	10 370	.4564	2 492	12 862	.5661
50	LYMAN, KEYS COM. CO.	1933	15 923	4 993	.3136	79.84	3 986	.2503	2 209	2 784	4 993	.3136	830	5 823	.3657
		1934	4 915	1 732	.3524	79.84	1 383	.2814	729	1 003	1 732	.3522	276	2 008	.4085
		1932	280 543	115 144	.4104	82.06	94 487	.3368	19 080	86 875	105 955	.3777	5 670	111 625	.3979
51	LAWLER BROTHERS	1934	239 246	104 148	.4353	82.06	85 464	.3572	15 660	77 459	93 119	.3892	5 670	98 789	.4129
		1934	69 550	34 590	.4973	82.06	28 385	.4081	5 600	25 658	31 258	.4494	1 888	33 146	.4766
		1932	6 194	3 581	.5781	74.61	2 672	.4314	2 279	1 399	3 678	.5938	779	2 899	.4680
52	L. B. WERDEN	1933	5 452	2 777	.5094	74.61	2 072	.3800	1 497	1 280	2 777	.5053	779	1 998	.3665
		[illegible]	[illegible]	[illegible]	[illegible]	74.61	818	.4337	500	596	1 096	.5811	260	836	.4431

			HEAD	TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL TOTAL	TOTAL PER HEAD	ADJUST-MENTS.	TOTAL	PER HEAD
43	IOWA L. S. COM. CO.	1932	88 447	40 362	.4563	79.32	32 015	.3620	16 963	23 087	40 050	.4528	4 358	44 408	.5021
		1933	97 668	69 155	.7081	79.32	54 854	.5616	22 972	38 516	61 488	.6296	4 358	65 846	.6742
		1934	42 823	25 197	.5884	79.32	19 986	.4667	5 950	14 861	20 811	.4860	1 451	22 262	.5199
44	DAVID C. WAGNER	1932	19 008	4 340	.2283	79.85	3 465	.1823	2 118	2 321	4 439	.2335	382	4 821	.2536
		1933	16 555	3 830	.2314	79.85	3 058	.1847	2 494	1 336	3 830	.2314	382	4 212	.2544
		1934	2 856	705	.2468	79.85	563	.1971	456	247	705	.2468	96	801	.2805
45	WALTERS & DUNBAR	1932	236 922	88 541	.3737	78.63	69 620	.2939	16 667	63 168	79 835	.3370	20 333	100 168	.4228
		1933	219 063	85 522	.3904	78.63	67 246	.3070	26 810	58 250	85 060	.3883	20 333	105 393	.4811
		1934	60 431	25 625	.4240	78.63	20 149	.3334	5 000	18 776	23 776	.3934	6 777	30 553	.5056
46	WALTERS BROTHERS (JAN. FEB. & MARCH)-	1932	6 763	3 346	.4948	79.41	2 657	.3929	1 072	2 475	3 547	.5245	367	3 914	.5787
		1933	9 736	5 432	.5579	79.41	4 314	.4431	1 552	2 845	4 397	.4516	367	4 764	.4893
		1934	1 763	1 051	.5961	79.41	835	.4736	623	428	1 051	.5961	92	1 143	.6483
47	KNETTLE BROTHERS	1932	14 964	1 563	.1044	79.32	1 240	.0829	1 285	351	1 636	.1093	1 715	3 351	.2239
		1933	20 424	2 001	.0980	79.32	1 587	.0777	1 815	186	2 001	.0980	1 715	3 716	.1819
		1934	(DESTROYED BY FIRE)												
48	KUENSTER L. S. COM. CO.	1932	225 595	67 989	.3014	84.16	57 220	.2536	7 134	57 833	64 967	.2880	10 499	75 466	.3345
		1933	231 987	84 090	.3625	84.16	70 770	.3051	8 148	67 460	75 608	.3259	10 499	86 107	.3712
		1934	85 660	34 061	.3976	84.16	28 666	.3346	2 800	24 472	27 272	.3184	3 496	30 768	.3592
49	JOHN A WATERS L. S. COM. CO.	1932	7 653	1 205	.1574	79.32	956	.1249	368	894	1 262	.1649	832	2 094	.2736
		1933	(DESTROYED BY FIRE)												
		1934	(DESTROYED BY FIRE)												
50	LAMBRIGHT, KEYS & HUSTON LYMAN, KEYS COM. CO.	1932	22 720	9 404	.4139	79.84	7 508	.3305	5 608	4 762	10 370	.4564	2 492	12 862	.5661
		1933	15 923	4 993	.3136	79.84	3 986	.2503	2 209	2 784	4 993	.3136	830	5 823	.3657
		1934	4 915	1 732	.3524	79.84	1 383	.2814	729	1 003	1 732	.3522	276	2 008	.4085
51	LAWLER BROTHERS	1932	280 583	115 144	.4104	82.06	94 487	.3368	19 080	86 875	105 955	.3777	5 670	111 625	.3979
		1934	239 246	104 148	.4353	82.06	85 464	.3572	15 660	77 459	93 119	.3892	5 670	98 789	.4129
		1934	69 550	34 590	.4973	82.06	28 385	.4081	5 600	25 658	31 258	.4494	1 888	33 146	.4766
52	L. B. WERDEN	1932	6 194	3 581	.5781	74.61	2 672	.4314	2 279	1 399	3 678	.5938	779	2 899	.4680
		1933	5 452	2 777	.5094	74.61	2 072	.3800	1 497	1 280	2 777	.5053	779	1 998	.3665
		1934	1 886	1 096	.5811	74.61	818	.4337	500	596	1 096	.5811	260	836	.4433
53	CHAS. L. WILLS & CO.	1932	(DESTROYED BY FIRE)												
		1933	(DESTROYED BY FIRE)												
		1934	159	58	.3648	80.32	47	.2956	25	33	58	.3774	-	58	.3774
54	W. W. WILSON & CO.	1932	101 405	39 496	.3895	80.33	31 727	.3129	6 017	34 493	40 510	.3995	8 982	49 492	.4881
		1933	103 653	41 281	.3983	80.33	33 161	.3199	11 184	29 820	41 004	.3956	8 982	49 986	.4822
		1934	35 278	14 745	.4180	80.33	11 845	.3358	2 353	12 183	14 536	.4120	2 991	17 527	.4968
55	MARTIN BROS. & CO.	1932	96 984	36 751	.3789	78.08	28 695	.2959	13 850	22 794	36 644	.3778	4 710	41 354	.4264
		1933	94 341	42 137	.4466	78.08	32 901	.3487	13 850-	24 930	38 780	.4111	4 710	43 490	.4610
		1934	35 077	15 531	.4428	78.08	12 127	.3457	5 000	10 055	15 055	.4292	1 568	16 623	.4739
56	MCCAUSLAND, HOAG & VAUGHAN	1932	91 568	51 017	.5571	73.02	37 253	.4068	13 028	30 635	43 663	.4768	8 972	52 635	.5748
		1933	97 694	51 115	.5232	73.02	37 324	.3821	16 628	27 814	44 442	.4549	8 972	53 414	.5467
		1934	34 061	20 689	.6074	73.02	15 107	.4435	5 733	8 230	13 963	.4099	2 988	16 951	.4977

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

NT OF COMMISSIONS, COSTS AND PROFIT OR LOSS

NT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS							PROFIT OR LOSS											
EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL	PER HEAD		TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
16 963	23 087	40 050	.4528	4 358	44 408	.5021	312	.0035	.78	4 046	.0458	9.11	8 035	.0908	20.06	12 393	.1401	27.91
22 972	38 516	61 488	.6296	4 358	65 846	.6742	7 667	.0785	12.47	3 309	.0339	5.03	6 634	.0679	10.79	10 992	.1125	16.69
5 950	14 861	20 811	.4860	1 451	22 262	.5199	4 386	.1024	21.08	2 935	.0685	13.18	825	.0193	3.96	2 276	.0531	10.22
2 118	2 321	4 439	.2335	382	4 821	.2536	99	.0052	2.23	481	.0253	9.98	974	.0512	21.94	1 356	.0713	28.13
2 494	1 336	3 830	.2314	382	4 212	.2544	-	-	-	382	.0231	9.07	772	.0466	20.16	1 154	.0697	27.40
458	247	705	.2468	96	801	.2805	-	-	-	96	.0336	11.99	142	.0497	20.14	238	.0833	29.71
16 667	63 168	79 835	.3370	20 333	100 168	.4228	8 706	.0367	10.90	11 627	.0491	11.61	10 215	.0431	12.80	30 548	.1289	30.50
26 810	58 250	85 060	.3883	20 333	105 393	.4811	462	.0021	.54	19 671	.0907	16.85	17 814	.0813	20.94	38 147	.1741	36.20
5 000	18 776	23 776	.3934	6 777	30 553	.5056	1 849	.0306	7.78	4 928	.0815	16.13	3 627	.0600	15.25	10 404	.1722	34.05
1 072	2 475	3 547	.5245	367	3 914	.5787	201	.0297	5.67	568	.0839	14.51	890	.1316	25.09	1 257	.1859	32.12
1 552	2 845	4 397	.4516	367	4 764	.4893	1 035	.1063	23.54	668	.0686	14.02	83	.0085	1.89	450	.0462	9.45
623	428	1 051	.5961	92	1 143	.6483	-	-	-	92	.0522	8.05	216	.1225	20.55	308	.1747	26.95
1 285	351	1 636	.1093	1 715	3 351	.2239	73	.0049	4.46	1 788	.1195	53.36	396	.0265	24.21	2 111	.1411	63.00
1 815	186	2 001	.0980	1 715	3 716	.1819	-	-	-	1 715	.0840	46.15	414	.0203	20.69	2 129	.1042	57.29
7 134	57 833	64 967	.2880	10 499	75 466	.3345	3 022	.0134	4.65	7 477	.0331	9.91	7 747	.0343	11.92	18 246	.0809	24.16
8 148	67 460	75 608	.3259	10 499	86 107	.3712	8 482	.0366	11.22	2 017	.0087	2.34	4 838	.0209	6.40	15 337	.0661	17.81
2 800	24 472	27 272	.3184	3 496	30 768	.3592	6 789	.0793	24.89	3 293	.0384	10.70	1 394	.0163	5.11	2 102	.0245	6.83
368	894	1 262	.1649	832	2 094	.2736	57	.0075	4.52	889	.1162	42.45	306	.0400	24.25	1 138	.1487	54.35
5 608	4 762	10 370	.4564	2 492	12 862	.5661	966	.0425	9.32	3 458	.1522	26.89	2 862	.1260	27.60	5 354	.2357	41.63
2 209	2 784	4 993	.3136	830	5 823	.3657	-	-	-	830	.0521	14.25	1 007	.0632	20.17	1 837	.1154	31.55
729	1 003	1 732	.3522	276	2 008	.4085	-	-	-	276	.0562	13.75	349	.0710	20.15	625	.1272	31.13
19 080	86 875	105 955	.3777	5 670	111 625	.3979	9 189	.0327	8.67	3 519	.0125	3.15	11 468	.0409	10.82	17 138	.0611	15.35
15 660	77 459	93 119	.3892	5 670	98 789	.4129	11 029	.0461	11.84	5 359	.0224	5.42	7 655	.0320	8.22	13 325	.0557	13.49
5 600	25 658	31 258	.4494	1 888	33 146	.4766	3 332	.0479	10.66	1 444	.0208	4.36	2 873	.0413	9.19	4 761	.0685	14.36
2 279	1 399	3 678	.5938	779	2 899	.4680	97	.0157	2.64	682	.1101	23.53	1 006	.1624	27.35	227	.0367	7.83
1 497	1 280	2 777	.5053	779	1 998	.3665	-	-	-	779	.1429	38.99	705	.1293	25.39	74	.0136	3.70
500	596	1 096	.5811	260	836	.4433	-	-	-	260	.1379	31.10	278	.1474	25.36	18	.0095	2.15
		58	.3774	-	58	.3774	-	-	-	-	-	-	11	.0692	18.97	11	.0692	18.97

16 963	23 087	40 050	.4528	4 358	44 408	.5021	812	.0035	.78	4 046	.0458	9.11	8 035	.0908	20.06	12 393	.1401	27.91
22 972	38 516	61 488	.6296	4 358	65 846	.6742	7 667	.0785	12.47	3 309	.0339	5.03	6 634	.0679	10.79	10 992	.1125	16.69
5 950	14 861	20 811	.4860	1 451	22 262	.5199	4 386	.1024	21.08	2 935	.0685	13.18	825	.0193	3.96	2 276	.0531	10.22
2 118	2 321	4 439	.2335	382	4 821	.2536	99	.0052	2.23	481	.0253	9.98	974	.0512	21.94	1 356	.0713	28.13
2 494	1 336	3 830	.2314	382	4 212	.2544	–	–	–	382	.0231	9.07	772	.0466	20.16	1 154	.0697	27.40
458	247	705	.2468	96	801	.2805	–	–	–	96	.0336	11.99	142	.0497	20.14	238	.0833	29.71
16 667	63 168	79 835	.3370	20 333	100 168	.4228	8 706	.0367	10.90	11 627	.0491	11.61	10 215	.0431	12.80	30 548	.1289	30.50
26 810	58 250	85 060	.3883	20 333	105 393	.4811	462	.0021	.54	19 671	.0907	18.85	17 814	.0813	20.94	38 147	.1741	36.20
5 000	18 776	23 776	.3934	6 777	30 553	.5056	1 849	.0306	7.78	4 928	.0815	16.13	3 627	.0600	15.25	10 404	.1722	34.05
1 072	2 475	3 547	.5245	367	3 914	.5787	201	.0297	5.67	568	.0839	14.51	890	.1316	25.09	1 257	.1859	32.12
1 552	2 845	4 397	.4516	367	4 764	.4893	1 035	.1063	23.54	668	.0686	14.02	83	.0085	1.89	450	.0462	9.45
623	428	1 051	.5961	92	1 143	.6483	–	–	–	92	.0522	8.05	216	.1225	20.55	308	.1747	26.95
1 285	351	1 636	.1093	1 715	3 351	.2239	73	.0049	4.46	1 788	.1195	53.36	396	.0265	24.21	2 111	.1411	63.00
1 815	186	2 001	.0980	1 715	3 716	.1819	–	–	–	1 715	.0840	46.15	414	.0203	20.69	2 129	.1042	57.29
7 134	57 833	64 967	.2880	10 499	75 466	.3345	3 022	.0134	4.65	7 477	.0331	9.91	7 747	.0343	11.92	18 246	.0809	24.16
8 148	67 460	75 608	.3259	10 499	86 107	.3712	8 482	.0366	11.22	2 017	.0087	2.34	4 838	.0209	6.40	15 337	.0661	17.81
2 800	24 472	27 272	.3184	3 496	30 768	.3592	6 789	.0793	24.89	3 293	.0384	10.70	1 394	.0163	5.11	2 102	.0245	6.83
368	894	1 262	.1649	832	2 094	.2736	57	.0075	4.52	889	.1162	42.45	306	.0400	24.25	1 138	.1487	54.35
5 608	4 762	10 370	.4564	2 492	12 862	.5661	966	.0425	9.32	3 458	.1522	26.89	2 862	.1260	27.60	5 354	.2357	41.63
2 209	2 784	4 993	.3136	830	5 823	.3657	–	–	–	830	.0521	14.25	1 007	.0632	20.17	1 837	.1154	31.55
729	1 003	1 732	.3522	276	2 008	.4085	–	–	–	276	.0562	13.75	349	.0710	20.15	625	.1272	31.13
19 080	86 875	105 955	.3777	5 670	111 625	.3979	8 189	.0327	8.67	3 519	.0125	3.15	11 468	.0409	10.82	17 138	.0611	15.35
15 660	77 459	93 119	.3892	5 670	98 789	.4129	11 029	.0461	11.84	5 359	.0224	5.42	7 655	.0320	8.22	13 325	.0557	13.49
5 600	25 658	31 258	.4494	1 888	33 146	.4766	3 332	.0479	10.66	1 444	.0208	4.36	2 873	.0413	9.19	4 761	.0685	14.36
2 279	1 399	3 678	.5938	779	2 899	.4680	97	.0157	2.64	682	.1101	23.53	1 006	.1624	27.35	227	.0367	7.83
1 497	1 280	2 777	.5053	779	1 998	.3665	–	–	–	779	.1429	38.99	705	.1293	25.39	74	.0136	3.70
500	596	1 096	.5811	260	836	.4433	–	–	–	260	.1379	31.10	278	.1474	25.36	18	.0095	2.15
25	33	58	.3774	–	58	.3774	–	–	–	–	–	–	11	.0692	18.97	11	.0692	18.97
6 017	34 493	40 510	.3995	8 982	49 492	.4881	1 014	.0100	2.50	9 996	.0986	20.20	8 783	.0866	21.68	17 765	.1752	35.89
11 184	29 820	41 004	.3956	8 982	49 986	.4822	277	.0027	.68	8 705	.0840	17.41	7 843	.0757	19.13	16 825	.1623	33.66
2 353	12 183	14 536	.4120	2 991	17 527	.4968	209	.0059	1.44	2 782	.0709	15.88	2 691	.0763	18.51	5 682	.1611	32.42
13 850	22 794	36 644	.3778	4 710	41 354	.4264	107	.0011	.29	4 603	.0475	11.13	7 949	.0820	21.69	12 659	.1305	30.61
13 850	24 930	38 780	.4111	4 710	43 490	.4610	3 357	.0356	8.66	1 353	.0143	3.11	5 879	.0623	15.16	10 589	.1122	24.35
5 000	10 055	15 055	.4292	1 568	16 623	.4739	476	.0136	3.16	1 092	.0311	6.57	2 928	.0835	19.45	4 496	.1282	27.05
13 028	30 635	43 663	.4768	8 972	52 635	.5748	7 354	.0803	16.84	1 618	.0177	3.07	6 410	.0700	14.68	15 382	.1680	29.22
16 628	27 814	44 442	.4549	8 972	53 414	.5467	6 673	.0683	15.02	2 299	.0235	4.30	7 118	.0729	16.02	16 090	.1647	30.12
5 733	8 230	13 963	.4099	2 988	16 951	.4977	6 726	.1975	48.17	3 738	.1097	22.05	1 144	.0336	8.19	1 844	.0541	10.88

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIV
EQUITY NO. 13,829

STATEMENT OF COMMISSIONS, COSTS AND P

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S OR

NOTE:- The 1934 figures cover Jany. Feby. Mar & Apr. unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS						
				ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				APPRAISAL ADJUSTMENTS.	INCLUDING APPRAISALS	
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL	PER HEAD		TOTAL	PER HEAD
57	MERRION & WILKINS	1932	609 912	48 934	.0802	81.02	39 646	.0650	7 800	24 169	31 969	.0524	4 200	36 169	.0593
		1933	518 290	45 666	.0881	81.02	36 999	.0714	7 800	25 320	33 120	.0639	4 200	37 320	.0720
		1934	120 576	12 755	.1058	81.02	10 334	.0857	2 550	8 321	10 871	.0902	1 399	12 270	.1018
58	MILLER, WHITE & WOODS	1932	126 175	51 524	.4084	79.56	40 992	.3249	16 413	35 349	51 762	.4102	6 767	58 529	.4639
		1933	133 393	55 632	.4171	79.56	44 261	.3318	14 672	35 863	50 535	.3788	6 767	57 302	.4296
		1934	44 948	20 485	.4557	79.56	16 298	.3626	4 146	12 040	16 186	.3601	2 253	18 439	.4102
59	MINTEER HUBBIRD & CO.	1932	28 365	14 276	.5033	79.32	11 324	.3992	5 378	9 344	14 722	.5190	2 622	17 344	.6114
		1933	20 687	12 096	.5847	79.32	9 595	.4638	4 178	7 918	12 096	.5847	2 622	14 718	.7115
		1934	8 305	4 465	.5376	79.32	3 542	.4265	1 597	2 868	4 465	.5376	873	5 338	.6427
60	CHAS. H. MOBERLY	1932	2 845	1 505	.5290	74.14	1 116	.3923	712	875	1 587	.5578	488	2 075	.7293
		1933	3 587	1 581	.4408	74.14	1 172	.3268	710	871	1 581	.4405	488	2 069	.5765
		1934	624	356	.5705	74.14	264	.4231	147	209	356	.5705	163	519	.8317
61	MULLEN COM. CO.	1932	59 672	23 581	.3952	77.61	18 301	.3067	4 272	18 214	22 486	.3768	2 848	25 334	.4246
		1933	50 202	18 745	.3734	77.61	14 548	.2898	3 440	15 411	18 851	.3755	2 848	21 699	.4322
		1934	23 124	6 467	.2797	77.61	5 019	.2170	573	4 695	5 268	.2278	948	6 216	.2688
62	MURRAY & MCDOWELL	1932	101 574	29 691	.2923	80.53	23 910	.2354	9 079	22 589	31 668	.3118	1 921	33 589	.3307
		1933	57 305	20 737	.3619	80.53	16 700	.2914	3 975	14 905	18 880	.3295	1 350	20 230	.3530
		1934	16 245	6 133	.3775	80.56	4 941	.3042	1 248	5 460	6 708	.4129	450	7 158	.4406
63	MUTUAL L. S. COM. CO.	1932	123 044	42 501	.3454	80.56	34 239	.2783	18 563	24 819	43 382	.3526	4 435	47 817	.3886
		1933	126 511	42 618	.3369	80.56	34 333	.2714	15 861	26 757	42 618	.3370	4 435	47 053	.3719
		1934	39 702	15 254	.3842	80.56	12 289	.3095	6 715	12 692	19 407	.4888	1 477	20 884	.5260
64	NALLEY COM. CO. (JAN. FEB. & MARCH)	1932	22 817	8 260	.3620	77.56	6 406	.2808	4 793	3 615	8 408	.3685		7 615	.3337
		1933	18 807	7 968	.4237	77.56	6 180	.3286	3 770	4 198	7 968	.4236		7 175	.3815
		1934	5 428	2 300	.4237	77.56	1 784	.3287	942	1 358	2 300	.4239		2 102	.3874
65	JOSEPH F. NASH	1932	10 680	3 238	.3032	79.32	2 568	.2404	1 131	2 199	3 330	.3118	869	4 199	.3932
		1933	(DESTROYED BY FIRE)												
		1934	3 216	975	.3032	79.32	773	.2404	523	452	975	.3032	289	1 264	.3930
66	NATIONAL L. S. COM. CO.	1932	375 986	146 514	.3897	77.10	112 962	.3004	25 600	104 561	130 161	.3462	14 400	144 561	.3845
		1933	356 850	140 179	.3928	77.10	108 078	.3029	22 131	81 588	103 719	.2907	14 400	118 119	.3310
		1934	102 411	44 809	.4375	77.10	34 548	.3373	6 912	27 877	34 789	.3397	4 795	39 584	.3865
67	E. F. WOELFER & CO.	1932	9 266	5 092	.5495	79.32	4 039	.4359	2 017	3 154	5 171	.5580	1 583	6 754	.7289
		1933	5 923	3 473	.5864	79.32	2 755	.4651	979	2 494	3 473	.5864	1 583	5 056	.8536
		1934	2 080	1 682	.8087	79.32	1 334	.6414	453	1 229	1 682	.8087	527	2 209	1.0620

			HEAD	TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL		MENTS.	TOTAL	PER HEAD	
											TOTAL	PER HEAD				
57	MERRION & WILKINS	1932	609 912	48 934	.0802	81.02	39 646	.0650	7 800	24 169	31 969	.0524	4 200	36 169	.0593	16
		1933	518 290	45 666	.0881	81.02	36 999	.0714	7 800	25 320	33 120	.0639	4 200	37 320	.0720	12
		1934	120 576	12 755	.1058	81.02	10 334	.0857	2 550	8 321	10 871	.0902	1 399	12 270	.1018	1
58	MILLER, WHITE & WOODS	1932	126 175	51 524	.4084	79.56	40 992	.3249	16 413	35 349	51 762	.4102	6 767	58 529	.4639	
		1933	133 393	55 632	.4171	79.56	44 261	.3318	14 672	35 863	50 535	.3788	6 767	57 302	.4296	9
		1934	44 948	20 485	.4557	79.56	16 298	.3626	4 146	12 040	16 186	.3601	2 253	18 439	.4102	4
59	MINTEER HUBBIRD & CO.	1932	28 365	14 276	.5033	79.32	11 324	.3992	5 378	9 344	14 722	.5190	2 622	17 344	.6114	
		1933	20 687	12 096	.5847	79.32	9 595	.4638	4 178	7 918	12 096	.5847	2 622	14 718	.7115	
		1934	8 305	4 465	.5376	79.32	3 542	.4265.	1 597	2 868	4 465	.5376	873	5 338	.6427	
60	CHAS. H. MOBERLY	1932	2 845	1 505	.5290	74.14	1 116	.3923	712	875	1 587	.5578	488	2 075	.7293	
		1933	3 587	1 581	.4408	74.14	1 172	.3268	710	871	1 581	.4405	488	2 069	.5765	
		1934	624	356	.5705	74.14	264	.4231	147	209	356	.5705	163	519	.8317	
61	MULLEN COM. CO.	1932	59 672	23 581	.3952	77.61	18 301	.3067	4 272	18 214	22 486	.3768	2 848	25 334	.4246	
		1933	50 202	18 745	.3734	77.61	14 548	.2898	3 440	15 411	18 851	.3755	2 848	21 699	.4322	
		1934	23 124	6 467	.2797	77.61	5 019	.2170	573	4 695	5 268	.2278	948	6 216	.2688	
62	MURRAY & MCDOWELL	1932	101 574	29 691	.2923	80.53	23 910	.2354	9 079	22 589	31 668	.3118	1 921	33 589	.3307	
		1933	57 305	20 737	.3619	80.53	16 700	.2914	3 975	14 905	18 880	.3295	1 350	20 230	.3530	
		1934	16 245	6 133	.3775	80.56	4 941	.3042	1 248	5 460	6 708	.4129	450	7 158	.4406	
63	MUTUAL L. S. COM. CO.	1932	123 044	42 501	.3454	80.56	34 239	.2783	18 563	24 819	43 382	.3526	4 435	47 817	.3886	
		1933	126 511	42 618	.3369	80.56	34 333	.2714	15 861	26 757	42 618	.3370	4 435	47 053	.3719	
		1934	39 702	15 254	.3842	80.56	12 289	.3095	6 715	12 692	19 407	.4888	1 477	20 884	.5260	
64	NALLEY COM. CO. (JAN. FEB. & MARCH)	1932	22 817	8 260	.3620	77.56	6 406	.2808	4 793	3 615	8 408	.3685	726	7 615	.3337	
		1933	18 807	7 968	.4237	77.56	6 180	.3286	3 770	4 198	7 968	.4236	1[illegible]	7 175	.3815	
		1934	5 428	2 300	.4237	77.56	1 784	.3287	942	1 358	2 300	.4239	[illegible]	2 102	.3874	
65	JOSEPH F. NASH	1932	10 680	3 238	.3032	79.32	2 568	.2404	1 131	2 199	3 330	.3118	869	4 199	.3932	
		1933	(DESTROYED BY FIRE)													
		1934	3 216	975	.3032	79.32	773	.2404	523	452	975	.3032	289	1 264	.3930	
66	NATIONAL L. S. COM. CO.	1932	375 986	146 514	.3897	77.10	112 962	.3004	25 600	104 561	130 161	.3462	14 400	144 561	.3845	1
		1933	356 850	140 179	.3928	77.10	108 078	.3029	22 131	81 588	103 719	.2907	14 400	118 119	.3310	3
		1934	102 411	44 809	.4375	77.10	34 548	.3373	6 [illegible]2	27 877	34 789	.3397	4 795	39 584	.3865	1
67	E. F. WOELFER & CO.	1932	9 266	5 092	.5495	79.32	4 039	.4359	2 017	3 154	5 171	.5580	1 583	6 754	.7289	
		1933	5 923	3 473	.5864	79.32	2 755	.4651	979	2 494	3 473	.5864	1 583	5 056	.8536	
		1934	2 080	1 682	.8087	79.32	1 334	.6414	453	1 229	1 682	.8087	527	2 209	1.0620	
68	HAFNER, NIXON COM. CO.	1932	13 779	4 860	.3527	79.32	3 855	.2798	2 352	2 903	5 255	.3814	352	4 903	.3558	
		1933	(DESTROYED BY FIRE)													
		1934	8 656	3 053	.3527	79.32	2 422	.2798	1 107	1 946	3 053	.3527	117	2 936	.3392	
69	NORTHWESTERN L. S. COM. CO. (INCLUDES GEO. W. BROWNSON A. C. SCHMAL)	1932	77 415	26 606	.3437	81.57	21 703	.2803	7 139	20 492	27 631	.3569	6 651	34 282	.4428	
		1933	88 012	49 561	.5631	81.57	40 427	.4593	6 893	30 572	37 465	.4257	6 651	44 116	.5012	1
		1934	26 827	14 975	.5582	81.57	12 215	.4553	2 940	9 167	12 107	.4513	2 640	14 747	.5497	
70	SILAS PALMER & SONS (JAN. FEB. & MARCH)	1932	100 845	42 162	.4181	80.65	34 004	.3372	5 140	37 501	42 641	.4228	6 860	49 501	.4909	
		1933	94 382	40 823	.4325	80.65	32 924	.3488	3 051	37 772	40 823	.4326	6 860	47 683	.5052	
		1934	25 818	12 743	.4936	80.65	10 277	.3981	912	11 457	12 369	.4791	1 715	14 084	.5455	

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

T OF COMMISSIONS, COSTS AND PROFIT OR LOSS

T COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS							PROFIT OR LOSS											
EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS.	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL			TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
		TOTAL	PER HEAD															
7 800	24 169	31 969	.0524	4 200	36 169	.0593	16 965	.0278	53.07	12 765	.0209	35.29	7 677	.0126	24.01	3 477	.0057	9.61
7 800	25 320	33 120	.0639	4 200	37 320	.0720	12 546	.0242	37.88	8 346	.0161	22.36	3 879	.0075	11.71	321	.0006	.86
2 550	8 321	10 871	.0902	1 399	12 270	.1018	1 884	.0156	17.33	485	.0040	3.95	537	.0045	4.94	1 936	.0161	15.78
16 413	35 349	51 762	.4102	6 767	58 529	.4639	236	.0018	.45	7 405	.0555	11.97	10 770	.0854	20.81	17 537	.1390	29.96
14 672	35 863	50 535	.3788	6 767	57 302	.4296	5 097	.0382	10.09	1 670	.0125	2.91	6 274	.0470	12.42	13 041	.0978	22.76
4 146	12 040	16 186	.3601	2 253	18 439	.4102	4 299	.0956	26.56	2 046	.0455	11.10	112	.0025	.69	2 141	.0476	11.61
5 378	9 344	14 722	.5190	2 622	17 344	.6114	1 [illegible]	[illegible]	[illegible]	3 068	.1081	17.68	3 [illegible]	.1190	23.08	6 020	.2122	34.71
4 178	7 918	12 096	.5847	2 622	14 718	.7115	–	–	–	2 628	.1267	17.86	4 501	.1299	20.66	5 123	.2476	34.81
1 597	2 868	4 465	.5376	873	5 338	.6427	–	–	–	873	.1051	16.36	1 323	.1111	20.67	1 796	.2163	33.66
712	875	1 587	.5578	488	2 075	.7293	[illegible]	[illegible]	[illegible]	270	.0949	13.01	471	.1656	29.68	954	.3371	46.02
710	871	1 581	.4405	488	2 069	.5765	–	–	–	409	.1140	19.77	409	.1140	25.87	897	.2501	43.35
147	209	356	.5705	163	519	.8317	–	–	–	164	.2628	31.61	142	.1424	25.85	255	.4087	49.13
4 272	18 214	22 486	.3768	2 848	25 334	.4246	1 095	.0184	4.87	1 793	.0299	6.92	4 185	.0701	18.61	7 [illegible]	.1193	27.76
3 440	15 411	18 851	.3755	2 848	21 699	.4322	[illegible]	[illegible]	[illegible]	2 954	.0588	13.51	4 303	.0857	22.83	7 151	.1424	32.96
573	4 695	5 268	.2278	948	6 216	.2688	1 199	.0519	22.76	251	.0109	4.04	249	.0108	4.73	1 [illegible]	.0518	19.21
9 079	22 589	31 668	.3118	1 921	33 589	.3307	1 [illegible]	[illegible]	[illegible]	3 898	.0384	11.50	7 258	.0714	21.50	2 [illegible]	.0933	28.08
3 975	14 905	18 880	.3295	1 350	20 230	.3530	1 857	.0324	9.84	507	.0088	2.51	2 152	.0376	11.02	3 [illegible]	.0616	17.43
1 298	5 460	6 708	.4129	450	7 158	.4406	[illegible]	[illegible]	8.57	1 [illegible]	.0631	14.32	1 [illegible]	.1096	24.84	2 [illegible]	.1355	30.75
18 563	24 819	43 382	.3526	4 435	47 817	.3886	1 [illegible]	.0072	2.03	5 316	.0432	11.12	9 [illegible]	.0743	21.05	13 [illegible]	.1104	28.42
15 861	26 757	42 618	.3370	4 435	47 053	.3719	–	–	–	4 435	.0351	9.43	9 [illegible]	.0695	18.74	12 [illegible]	.1005	27.02
6 715	12 692	19 407	.4888	1 477	20 884	.5260	1 [illegible]	[illegible]	21.40	5 [illegible]	.1918	36.98	4 [illegible]	.1703	32.66	6 [illegible]	.2145	41.18
4 793	3 615	8 408	.3685	728	7 615	.3337	148	.0065	1.76	645	.0283	8.47	2 [illegible]	.0877	23.31	1 [illegible]	.0930	15.67
3 770	4 198	7 968	.4236	207	7 175	.3815	–	–	–	793	.0422	11.05	1 288	.0961	22.44	1 [illegible]	.1529	19.67
942	1 358	2 300	.4239	98	2 102	.3874	–	–	–	198	.0365	9.42	516	.0951	22.43	1 [illegible]	.2566	15.21
1 131	2 199	3 330	.3118	869	4 199	.3932	92	.0086	2.70	961	.0900	22.89	762	.0713	22.86	1 631	.1527	38.84
523	452	975	.3032	289	1 264	.3930					.0899	22.86	202	.0628	20.72	491	.1527	36.65
25 600	104 561	130 161	.3462	14 400	144 561	.3845	16 353	.0435	12.56	1 953	.0052	1.35	17 199	.0456	13.22	31 599	.0840	21.86
22 131	81 588	103 719	.2907	14 400	118 119	.3310	36 460	.1022	35.15	22 060	.0618	18.68	4 359	.0122	4.20	10 041	.0281	9.50
6 912	27 877	34 789	.3397	4 795	39 584	.3865	10 020	.0978	28.80	5 225	.0510	13.20	241	.0024	.69	5 036	.0492	12.72
2 017	3 154	5 171	.5580	1 583	6 754	.7289	79	.0085	1.53	1 662	.1794	24.61	1 132	.1222	21.89	2 715	.2930	40.20
		[illegible]	[illegible]	1 583	5 056	.8536	–	–	–	1 583	.2673	31.31	716	.1212	20.67	2 301	.3885	45.51
														[illegible]	20.68	875	.4907	39.61

7 800	24 169	31 969	.0524	4 200	36 169	.0593	16 965	.0278	53.07	12 765	.0209	35.29	7 677	.0126	24.01	3 477	.0057	9.61
7 800	25 320	33 120	.0639	4 200	37 320	.0720	12 546	.0242	37.88	8 346	.0161	22.36	3 879	.0075	11.71	321	.0006	.86
2 550	8 321	10 871	.0902	1 359	12 270	.1018	1 884	.0156	17.33	485	.0040	3.95	537	.0045	4.94	1 936	.0161	15.78
16 413	35 349	51 762	.4102	6 767	58 529	.4639	238	.0018	.46	7 005	.0555	11.97	10 770	.0854	20.81	17 537	.1390	29.96
14 672	35 863	50 535	.3788	6 767	57 302	.4296	5 097	.0382	10.09	1 670	.0125	2.91	6 274	.0470	12.42	13 041	.0978	22.76
4 146	12 040	16 186	.3601	2 253	18 439	.4102	4 299	.0956	26.56	2 046	.0455	11.10	112	.0025	.69	2 141	.0476	11.61
5 378	9 344	14 722	.5190	2 622	17 344	.6114	44	.0157	3.03	3 088	.1081	17.69	3 358	.1198	23.08	6 020	.2122	34.71
4 178	7 918	12 096	.5847	2 622	14 718	.7115	–	–	–	2 622	.1267	17.80	2 501	.1209	20.66	5 123	.2476	34.85
1 597	2 868	4 465	.5376	873	5 338	.6427	–	–	–	873	.1051	16.36	923	.1111	20.67	1 796	.2163	33.64
712	875	1 587	.5578	488	2 075	.7293	82	.0288	5.17	520	.2004	27.47	471	.1656	29.68	959	.3371	46.22
710	871	1 581	.4405	488	2 069	.5765	–	–	–	409	.1340	23.39	409	.1140	25.87	897	.2503	43.35
147	209	356	.5705	163	519	.8317	–	–	–	163	.2616	31.41	92	.1474	25.85	255	.4082	49.13
4 272	18 214	22 486	.3768	2 848	25 334	.4246	1 095	.0184	4.87	1 723	.0294	6.92	4 185	.0701	18.61	7 033	.1179	27.78
3 440	15 411	18 851	.3755	2 848	21 699	.4322	106	.0021	.56	2 454	.0508	13.61	4 303	.0857	22.83	7 151	.1424	32.05
573	4 695	5 268	.2278	948	6 216	.2688	1 199	.0519	22.76	251	.0109	4.04	249	.0108	4.73	1 197	.0518	19.28
9 079	22 589	31 668	.3118	1 921	33 589	.3307	1 027	.0101	2.25	3 899	.0384	11.60	7 758	.0764	24.50	8 622	.0849	28.82
3 975	14 905	18 880	.3295	1 350	20 230	.3530	1 857	.0324	9.84	507	.0088	2.51	2 180	.0380	11.55	3 552	.0616	17.45
1 248	5 460	6 708	.4129	450	7 158	.4406	275	.0384	8.57	1 049	.0314	14.32	1 767	.1088	26.34	2 217	.1365	30.97
18 563	24 819	43 382	.3526	4 435	47 817	.3886	861	.0022	2.03	5 316	.0432	11.12	9 143	.0743	24.04	13 278	.1104	28.40
15 861	26 757	42 618	.3370	4 435	47 053	.3719	–	–	–	4 435	.0351	9.43	9 265	.0955	19.44	12 728	.1005	27.05
6 715	12 692	19 407	.4888	1 477	20 884	.5260	4 152	.1046	21.40	5 630	.1418	26.96	8 419	.1793	30.68	8 508	.2165	41.16
4 793	3 615	8 408	.3685	793	7 615	.3337	148	.0065	1.76	645	.0283	8.47	2 304	.0872	23.31	1 204	.0530	15.69
3 770	4 198	7 968	.4236	793	7 175	.3815	–	–	–	793	.0422	11.05	1 786	.0951	22.44	902	.0529	13.67
942	1 358	2 300	.4239	98	2 102	.3874	–	–	–	198	.0365	9.42	516	.0951	22.43	318	.0586	15.43
1 131	2 199	3 330	.3118	869	4 199	.3932	96	.0088	2.70	961	.0900	22.89	762	.0713	22.68	1 631	.1527	38.84
523	452	975	.3032	289	1 264	.3930					.0899	22.86	202	.0628	20.76	491	.1527	38.85
25 600	104 561	130 161	.3462	14 400	144 561	.3845	16 353	.0435	12.56	1 953	.0052	1.35	17 199	.0456	13.23	31 599	.0840	21.86
22 131	81 588	103 719	.2907	14 400	118 119	.3310	36 460	.1022	35.15	22 060	.0618	18.68	4 359	.0122	4.20	10 041	.0281	8.50
6 912	27 877	34 789	.3397	4 795	39 584	.3865	10 020	.0978	28.80	5 225	.0510	13.20	241	.0024	.69	5 036	.0492	12.78
2 017	3 154	5 171	.5580	1 583	6 754	.7289	79	.0085	1.53	1 662	.1794	24.61	1 132	.1222	21.69	2 715	.2930	40.20
979	2 494	3 473	.5864	1 583	5 056	.8536	–	–	–	1 583	.2673	31.31	718	.1212	20.62	2 301	.3885	45.51
453	1 229	1 682	.8087	527	2 209	1.0620	–	–	–	527	.2534	23.86	348	.1673	20.69	875	.4207	39.61
2 352	2 903	5 255	.3814	352	4 903	.3558	395	.0287	7.52	43	.0031	.88	1 400	.1016	26.64	1 048	.0761	21.38
1 107	1 946	3 053	.3527	117	2 936	.3392	–	–	–	117	.0135	3.99	631	.0729	20.62	514	.0594	17.50
7 139	20 492	27 631	.3569	6 651	34 282	.4428	1 025	.0132	3.71	7 676	.0991	22.39	5 928	.0766	21.46	12 579	.1625	36.70
6 893	30 572	37 465	.4257	6 651	44 116	.5012	12 096	.1374	32.29	5 445	.0619	12.34	2 962	.0337	7.91	3 689	.0419	8.36
2 940	9 167	12 107	.4513	2 640	14 747	.5497	2 868	.1069	23.69	228	.0085	1.55	108	.0040	.89	2 532	.0944	17.41
5 140	37 501	42 641	.4228	6 860	49 501	.4909	479	.0047	1.12	7 339	.0728	14.84	8 637	.0856	20.26	15 497	.1537	31.37
3 051	37 772	40 823	.4326	6 860	47 683	.5052	–	–	–	6 860	.0727	14.39	7 899	.0837	19.39	14 759	.1564	30.39
912	11 457	12 369	.4791	1 715	14 084	.5455	374	.0145	3.02	1 341	.0519	9.52	2 092	.0810	16.90	3 807	.1475	27.02

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN
EQUITY NO. 13,829

STATEMENT OF COMMISSIONS, COSTS AND

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S

NOTE:- The 1934 figures cover Jany. Feby. Mar. & Apr. unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS						
				ACTUAL		% OF ACTUAL	SECRETARY'S ORDER		EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS.	INCLUDING APPRAISALS	
				TOTAL	PER HEAD		TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL	PER HEAD		TOTAL	PER HEA
71	WOOD BROTHERS	1932	280 425	77 790	.2774	78.82	61 314	.2186	-	71 702	71 702	.2557	-	71 702	.2557
		1933	226 599	69 138	.3051	78.82	54 495	.2405	-	59 641	59 641	.2632	-	59 641	.2632
		1934	66 068	22 492	.3404	78.82	17 728	.2683	-	17 742	17 742	.2685	-	17 742	.2685
72	JOHN PATTERSON & SON	1932	5 450	1 095	.2009	77.78	852	.1563	745	460	1 205	.2211	456	1 661	.3048
		1933	1 996	1 061	.5316	77.78	825	.4133	514	547	1 061	.5316	456	1 517	.7600
		1934	637	314	.4929	77.78	244	.3830	193	121	314	.4961	151	465	.7300
73	PETERSON, TURNBULL & CO.	1932	80 284	33 351	.4154	77.75	25 930	.3230	11 520	21 039	32 559	.4055	5 680	38 239	.4763
		1933	89 852	40 113	.4464	77.75	31 188	.3471	11 520	23 780	35 300	.3929	5 680	40 980	.4561
		1934	29 294	13 941	.4759	77.75	10 839	.3700	4 000	7 711	11 711	.3998	1 891	13 602	.4643
74	PRITCHARD COM. CO.	1932	11 185	4 615	.4126	79.32	3 661	.3273	3 371	6 097	9 468	.8465	2 629	12 097	1.0815
		1933	(DECEASED)												
		1934	(DECEASED)												
75	QUINN COM. CO.	1932	57 570	30 280	.5260	80.84	24 478	.4252	8 946	19 890	28 836	.5009	3 018	31 854	.5533
		1933	40 568	21 293	.5249	80.84	17 213	.4243	7 847	12 579	20 426	.5035	3 018	23 444	.5779
	(JAN. & FEB.)	1934	6 607	3 707	.5611	80.84	2 997	.4536	1 256	2 050	3 306	.5004	503	3 809	.5765
76	GLEN K. WOOD & CO.	1932	8 173	2 149	.2629	79.86	1 716	.2100	1 404	808	2 212	.2706	204	2 008	.2457
		1933	6 513	1 498	.2300	79.86	1 196	.1836	787	711	1 498	.2302	204	1 294	.1988
		1934	1 370	676	.4934	79.86	540	.3942	424	252	676	.4942	68	608	.4445
77	RICE BROTHERS	1932	165 348	70 982	.4293	77.06	54 699	.3308	11 640	61 600	73 240	.4430	12 610	85 850	.5192
		1933	189 610	88 489	.4667	77.06	68 190	.3596	11 640	70 045	81 685	.4308	12 610	94 295	.4973
		1934	67 810	28 334	.4178	77.06	21 834	.3220	4 000	21 352	25 352	.3739	4 199	29 551	.4358
78	ALEX RINDERLE & CO.	1932	84 888	25 260	.2976	79.94	20 193	.2379	9 430	16 043	25 473	.3001	570	26 043	.3068
		1933	86 209	28 305	.3283	79.94	22 627	.2625	7 438	20 867	28 305	.3283	570	28 875	.3349
		1934	26 070	9 396	.3604	79.94	7 511	.2882	3 727	5 669	9 396	.3604	190	9 586	.3677
79	ROACH L. S. COM. CO.	1932	21 319	11 337	.5318	85.91	9 740	.4569	3 750	7 892	11 642	.5461	4 750	16 392	.7689
		1933	18 079	9 424	.5213	85.91	8 096	.4478	3 996	5 370	9 366	.5181	4 750	14 116	.7808
	(JAN. MAR. & APRIL)	1934	3 664	1 884	.5142	85.91	1 619	.4419	872	1 012	1 884	.5166	1 188	3 072	.8384
80	CHAS. O. ROBINSON & CO.	1932	63 247	31 635	.5002	75.42	23 859	.3772	9 600	22 895	32 495	.5138	400	32 895	.5201
		1933	36 469	22 599	.6198	75.42	17 044	.4674	9 600	17 693	27 493	.7539	400	27 893	.7648
	(JAN. FEB. & MARCH)	1934	6 525	4 271	.6546	75.42	3 221	.4936	2 400	3 825	6 225	.9540	100	6 325	.9693
81	ROSENBAUM BROTHERS	1932	153 777	53 436	.3475	79.38	42 417	.2758	17 153	43 581	60 734	.3950	16 140	76 874	.4999
		1933	112 290	51 519	.4588	79.38	40 896	.3642	8 700	41 664	50 364	.4485	8 513	58 877	.5243

NO.	NAME OF FIRM	YEAR	HEAD	TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL TOTAL	TOTAL PER HEAD	ADJUST-MENTS.	TOTAL	PER HEAD
71	WOOD BROTHERS	1932	280 425	77 790	.2774	78.82	61 314	.2186	-	71 702	71 702	.2557	-	71 702	.2557
		1933	226 599	69 138	.3051	78.82	54 495	.2405	-	59 641	59 641	.2632	-	59 641	.2632
		1934	66 068	22 492	.3404	78.82	17 728	.2683	-	17 742	17 742	.2685	-	17 742	.2685
72	JOHN PATTERSON & SON	1932	5 450	1 095	.2009	77.78	852	.1563	745	460	1 205	.2211	436	1 661	.3048
		1933	1 996	1 061	.5316	77.78	825	.4133	514	547	1 061	.5316	456	1 517	.7600
		1934	637	314	.4929	77.78	244	.3830	193	121	314	.4961	151	465	.7300
73	PETERSON, TURNBULL & CO.	1932	80 284	33 351	.4154	77.75	25 930	.3230	11 520	21 039	32 559	.4055	5 680	38 239	.4763
		1933	89 852	40 113	.4464	77.75	31 188	.3471	11 520	23 780	35 300	.3929	5 680	40 980	.4561
		1934	29 294	13 941	.4759	77.75	10 839	.3700	4 000	7 711	11 711	.3998	1 891	13 602	.4643
74	PRITCHARD COM. CO.	1932	11 185	4 615	.4126	79.32	3 661	.3273	3 371	6 097	9 468	.8465	2 629	12 097	1.0815
		1933	(DECEASED)												
		1934	(DECEASED)												
75	QUINN COM. CO.	1932	57 570	30 280	.5260	80.84	24 478	.4252	8 946	19 890	28 836	.5009	3 018	31 854	.5533
		1933	40 568	21 293	.5249	80.84	17 213	.4243	7 847	12 579	20 426	.5035	3 018	23 444	.5779
	(JAN. & FEB.)	1934	6 607	3 707	.5611	80.84	2 997	.4536	1 256	2 050	3 306	.5004	503	3 809	.5765
76	GLEN K. WOOD & CO.	1932	8 173	2 149	.2629	79.86	1 716	.2100	1 404	808	2 212	.2706	204	2 008	.2457
		1933	6 513	1 498	.2300	79.86	1 196	.1836	787	711	1 498	.2302	204	1 294	.1988
		1934	1 370	676	.4934	79.86	540	.3942	424	252	676	.4942	68	608	.4445
77	RICE BROTHERS	1932	165 348	70 982	.4293	77.06	54 699	.3308	11 640	61 600	73 240	.4430	12 610	85 850	.5192
		1933	189 610	88 489	.4667	77.06	68 190	.3596	11 640	70 045	81 685	.4308	12 610	94 295	.4973
		1934	67 810	28 334	.4178	77.06	21 834	.3220	4 000	21 352	25 352	.3739	4 199	29 551	.4358
78	ALEX RINDERLE & CO.	1932	84 888	25 260	.2976	79.94	20 193	.2379	9 430	16 043	25 473	.3001	570	26 043	.3068
		1933	86 209	28 305	.3283	79.94	22 627	.2625	7 438	20 867	28.305	.3283	570	28 875	.3349
		1934	26 070	9 396	.3604	79.94	7 511	.2882	3 727	5 669	9 396	.3604	190	9 586	.3677
79	ROACH L. S. COM. CO.	1932	21 319	11 337	.5318	85.91	9 740	.4569	3 750	7 892	11 642	.5461	4 750	16 392	.7689
		1933	18 079	9 424	.5213	85.91	8 096	.4478	3 996	5 370	9 366	.5181	4 750	14 116	.7808
	(JAN. MAR. & APRIL)	1934	3 664	1 884	.5142	85.91	1 619	.4419	872	1 012	1 884	.5166	1 188	3 072	.8384
80	CHAS. O. ROBINSON & CO.	1932	63 247	31 635	.5002	75.42	23 859	.3772	9 600	22 895	32 495	.5138	400	32 895	.5201
		1933	36 469	22 599	.6198	75.42	17 044	.4674	9 600	17 893	27 493	.7539	400	27 893	.7649
	(JAN. FEB. & MARCH)	1934	6 525	4 271	.6546	75.42	3 221	.4936	2 400	3 825	6 225	.9540	100	6 325	.9693
81	ROSENBAUM BROTHERS	1932	153 777	53 436	.3475	79.38	42 417	.2758	17 153	43 581	60 734	.3950	16 140	76 874	.4999
		1933	112 290	51 519	.4588	79.38	40 896	.3642	8 700	41 664	50 364	.4485	8 513	58 877	.5243
		1934	28 766	16 842	.5855	79.38	13 369	.4648	3 333	17 082	20 415	.7097	2 837	23 252	.8100
82	SARSFIELD & SCHROCK COM. CO.	1932	84 880	14 659	.1727	83.56	12 249	.1443	9 930	5 070	15 000	.1767	2 070	17 070	.2011
		1933	41 672	11 844	.2842	83.56	9 897	.2375	5 638	6 206	11 844	.2842	2 070	13 914	.3339
		1934	18 474	5 690	.3080	83.56	4 755	.2574	3 268	2 422	5 690	.3081	690	6 380	.3454
83	YANCEY, SINNARD & ROBERTS	1932	100 597	37 698	.3747	73.33	27 644	.2748	6 685	31 303	37 988	.3776	10 665	48 653	.4836
		1933	91 742	40 333	.4396	73.33	29 576	.3224	7 871	25 229	33 100	.3608	10 665	43 765	.4770
		1934	31 617	15 847	.5012	73.33	11 621	.3676	6 150	9 583	15 733	.4976	3 551	19 284	.6099
84	GEO. M. BROWNSON & CO.	1932	19 614	5 747	.2930	81.57	4 688	.2390	3 755	2 164	5 919	.3018		5 164	.2633
		1933	25 591	6 414	.2506	81.57	5 232	.2044	4 100	2 314	6 414	.2506		5 659	.2211
		1934	(INCLUDED IN NORTHWESTERN LIVESTOCK COM. CO.)												

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

NT OF COMMISSIONS, COSTS AND PROFIT OR LOSS

ENT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS							PROFIT OR LOSS											
EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS.	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL TOTAL	TOTAL PER HEAD		TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
-	71 702	71 702	.2557	-	71 702	.2557	6 088	.0217	8.49	6 088	.0217	8.49	10 388	.0370	14.49	10 388	.0370	14.49
-	59 641	59 641	.2632	-	59 641	.2632	9 497	.0419	15.92	9 497	.0419	15.92	5 146	.0227	8.63	5 146	.0227	8.63
-	17 742	17 742	.2685	-	17 742	.2685	4 750	.0719	26.77	4 750	.0719	26.77	14	.0002	.08	14	.0002	.08
745	460	1 205	.2211	456	1 661	.3048	110	.0202	9.13	566	.1039	34.06	353	.0648	29.32	809	.1484	48.71
514	547	1 061	.5316	456	1 517	.7600	-	-	-	456	.2285	30.06	236	.1182	22.24	692	.3467	45.62
193	121	314	.4961	151	465	.7300	-	-	-	151	.2370	32.47	70	.1099	22.29	221	.3469	47.53
11 520	21 039	32 559	.4055	5 680	38 239	.4763	792	.0099	2.43	4 888	.0609	12.78	6 629	.0826	20.36	12 309	.1533	32.19
1' 520	23 780	35 300	.3929	5 680	40 980	.4561	4 813	.0536	13.63	867	.0096	2.12	4 112	.0458	11.65	9 792	.1090	23.89
4 000	7 711	11 711	.3998	1 891	13 602	.4643	2 230	.0761	19.04	339	.0116	2.49	872	.0298	7.45	2 763	.0943	20.31
3 371	6 097	9 468	.8465	2 629	12 097	1.0815	4 853	.4339	51.26	7 482	.6689	61.84	5 807	.5192	61.33	8 436	.7542	69.74
8 946	19 890	28 836	.5009	3 018	31 854	.5533	1 444	.0251	5.01	1 574	.0273	4.94	4 358	.0757	15.11	7 376	.1281	23.16
7 847	12 579	20 426	.5035	3 018	23 444	.5779	867	.0214	4.24	2 151	.0530	9.18	3 213	.0792	15.73	6 231	.1536	26.58
1 256	2 050	3 306	.5004	503	3 809	.5765	401	.0607	12.13	102	.0154	2.68	309	.0468	9.35	812	.1229	21.32
1 404	808	2 212	.2706	204	2 008	.2457	63	.0077	2.85	141	.0172	7.02	496	.0607	22.42	292	.0357	14.54
787	711	1 498	.2302	204	1 294	.1988	-	-	-	204	.0313	13.77	302	.0464	20.16	98	.0150	7.57
424	252	676	.4942	68	608	.4445	-	-	-	68	.0496	11.18	136	.0993	20.12	68	.0496	11.48
11 640	61 600	73 240	.4430	12 610	85 850	.5192	2 258	.0137	3.08	14 868	.0899	17.32	18 541	.1121	25.32	31 151	.1884	36.29
11 640	70 045	81 685	.4308	12 610	94 295	.4973	6 804	.0359	8.33	5 806	.0306	6.16	13 495	.0712	16.52	26 105	.1377	27.68
4 000	21 352	25 352	.3739	4 199	29 551	.4358	2 982	.0440	11.76	1 217	.0179	4.12	3 518	.0519	13.68	7 717	.1138	26.11
9 430	16 043	25 473	.3001	570	26 043	.3068	213	.0025	.84	783	.0092	3.01	5 280	.0622	20.73	5 850	.0689	22.46
7 438	20 867	28 305	.3283	570	28 875	.3349	-	-	-	570	.0066	1.97	5 678	.0659	20.06	6 248	.0725	21.64
3 727	5 669	9 396	.3604	190	9 586	.3677	-	-	-	190	.0073	1.98	1 885	.0723	20.06	2 075	.0796	21.65
3 750	7 892	11 642	.5461	4 750	16 392	.7689	305	.0143	2.62	5 055	.2371	30.84	1 902	.0892	16.34	6 652	.3120	40.58
3 996	5 370	9 366	.5181	4 750	14 116	.7808	58	.0032	.62	4 692	.2595	33.24	1 270	.0702	13.56	6 020	.3330	42.65
872	1 012	1 884	.5166	1 188	3 072	.8384	-	-	-	1 188	.3242	38.67	265	.0723	14.07	1 453	.3966	47.30
9 600	22 895	32 495	.5138	400	32 895	.5201	860	.0136	2.65	1 260	.0199	3.83	8 636	.1365	26.58	9 036	.1429	27.47
9 600	17 893	27 493	.7539	400	27 893	.7648	4 894	.1342	17.80	5 294	.1452	18.98	10 449	.2865	38.01	10 849	.2975	38.90
2 400	3 825	6 225	.9540	100	6 325	.9693	1 954	.2995	31.39	2 054	.3148	32.47	3 004	.4604	48.26	3 104	.4757	49.06
17 153	43 581	60 734	.3950	16 140	76 874	.4999	7 298	.0475	12.02	23 436	.1524	30.49	18 317	.1191	30.16	34 457	.2241	44.82
	41 664	50 364	.4485	8 513	58 877	.5243	1 155	.0103	2.29	7 358	.0655	12.50	9 468	.0843	18.80	17 981	.1601	30.54
												27.57	7 046	.2449	34.51	9 883	.3436	42.50

SALARIES	SALY & EXPS	TOTAL	PER HEAD	MENTS.	TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
–	71 702	71 702	.2557	–	71 702	.2557	6 088	.0217	8.49	6 088	.0217	8.49	10 388	.0370	14.49	10 388	.0370	14.49
–	59 641	59 641	.2632	–	59 641	.2632	9 497	.0419	15.92	9 497	.0419	15.92	5 146	.0227	8.63	5 146	.0227	8.63
–	17 742	17 742	.2685	–	17 742	.2685	4 750	.0719	26.77	4 750	.0719	26.77	14	.0002	.08	14	.0002	.08
745	460	1 205	.2211	456	1 661	.3048	110	.0202	9.13	566	.1039	34.06	353	.0648	29,32	809	.1484	48.71
514	547	1 061	.5316	456	1 517	.7600	–	–	–	456	.2285	30.06	236	.1182	22.24	692	.3467	45.62
193	121	314	.4961	151	465	.7300	–	–	–	151	.2370	32.47	70	.1099	22,29	221	.3469	47.53
11 520	21 039	32 559	.4055	5 680	38 239	.4763	792	.0099	2.43	4 888	.0609	12.78	6 629	.0826	20.36	12 309	.1533	32.19
11 520	23 780	35 300	.3929	5 680	40 980	.4561	4 813	.0536	13.63	867	.0096	2.12	4 112	.0458	11.65	9 792	.1090	23.89
4 000	7 711	11 711	.3998	1 891	13 602	.4643	2 230	.0761	19.04	339	.0116	2.49	872	.0298	7.45	2 763	.0943	20.31
3 371	6 097	9 468	.8465	2 629	12 097	1.0815	4 853	.4339	51.26	7 482	.6689	61.84	5 807	.5192	61.33	8 436	.7542	69.74
8 946	19 890	28 836	.5009	3 018	31 854	.5533	1 444	.0251	5.01	1 574	.0273	4.94	4 358	.0757	15.11	7 376	.1281	23.16
7 847	12 579	20 426	.5035	3 018	23 444	.5779	867	.0214	4.24	2 151	.0530	9.18	3 213	.0792	15.73	6 231	.1536	26.58
1 256	2 050	3 306	.5004	503	3 809	.5765	401	.0607	12.13	102	.0154	2.68	309	.0468	9.35	812	.1229	21.32
1 404	808	2 212	.2706	204	2 008	.2457	63	.0077	2.85	141	.0172	7.02	496	.0607	22.42	292	.0357	14.54
787	711	1 498	.2302	204	1 294	.1988	–	–	–	204	.0313	15.77	302	.0464	20.16	98	.0150	7.57
424	252	676	.4942	68	608	.4445	–	–	–	68	.0496	11.18	136	.0993	20.12	68	.0496	11.18
11 640	61 600	73 240	.4430	12 610	85 850	.5192	2 256	.0137	3.08	14 868	.0892	17.32	18 541	.1121	25,32	31 151	.1884	36.29
11 640	70 045	81 685	.4308	12 610	94 295	.4973	6 804	.0359	8,33	5 806	.0306	6.16	13 495	.0712	16,52	25 105	.1377	27.68
4 000	21 352	25 352	.3739	4 199	29 551	.4358	2 982	.0440	11.76	1 217	.0179	4.12	3 518	.0519	13.88	7 717	.1138	26.11
9 430	16 043	25 473	.3001	570	26 043	.3068	213	.0025	.84	763	.0092	3,01	5 280	.0622	20.73	5 850	.0689	22.46
7 438	20 867	28.305	.3283	570	28 875	.3349	–	–	–	570	.0066	1.97	5 678	.0659	20.06	6 248	.0725	21.64
3 727	5 669	9 396	.3604	190	9 586	.3677	–	–	–	190	.0073	1,98	1 885	.0723	20,06	2 075	.0796	21.65
3 750	7 892	11 642	.5461	4 750	16 392	.7689	305	.0143	2,62	5 055	.2371	30,84	1 902	.0892	16.34	6 652	.3120	40,58
3 996	5 370	9 366	.5181	4 750	14 116	.7808	58	.0032	.62	4 692	.2595	33.24	1 270	.0702	13.56	6 020	.3330	42.65
872	1 012	1 884	.5166	1 188	3 072	.8384	–	–	–	1 188	.3242	38.67	265	.0723	14.07	1 453	.3966	47.30
9 600	22 895	32 495	.5138	400	32 895	.5201	860	.0136	2.65	1 260	.0199	3.83	8 636	.1365	26.58	9 036	.1429	27.47
9 600	17 893	27 493	.7539	400	27 893	.7648	4 894	.1342	17.80	5 294	.1452	18.98	10 449	.2865	38.21	10 849	.2975	38.90
2 400	3 825	6 225	.9540	100	6 325	.9693	1 954	.2995	31.39	2 054	.3148	32.47	3 004	.4604	48.26	3 104	.4757	49.06
17 153	43 581	60 734	.3950	16 140	76 874	.4999	7 298	.0475	12.02	23 438	.1524	30.49	18 317	.1191	30.16	34 457	.2241	44.82
8 700	41 664	50 364	.4485	8 513	58 877	.5243	1 155	.0103	2,29	7 358	.0655	12.50	9 468	.0843	18.80	17 981	.1601	30.54
3 333	17 082	20 415	.7097	2 837	23 252	.8100	3 573	.1242	17.50	6 410	.2228	27.57	7 046	.2449	34.51	9 883	.3436	42.50
9 939	5 070	15 000	.1767	2 070	17 070	.2011	341	.0040	2.27	2 411	.0284	14.12	2 751	.0324	18.34	4 821	.0568	28.24
5 638	6 206	11 844	.2842	2 070	13 914	.3339	–	–	–	2 070	.0497	14.88	1 947	.0467	16.44	4 017	.0964	28.87
3 268	2 422	5 690	.3081	690	6 380	.3454	–	–	–	690	.0373	10.62	935	.0506	16.43	1 625	.0880	25.47
6 685	31 303	37 988	.3776	10 665	48 653	.4836	290	.0029	.76	10 955	.1089	22.52	10 344	.1029	27.23	21 009	.2088	43.18
7 871	25 229	33 100	.3608	10 665	43 765	.4770	7 233	.0788	21.85	3 432	.0374	7.64	3 524	.0384	10.65	14 189	.1551	32.42
6 150	9 583	15 733	.4976	3 551	19 284	.6099	114	.0036	.72	3 437	.1087	17.82	4 112	.1301	26.14	7 663	.2424	39.74
3 755	2 164	5 919	.3018		5 164	.2633	172	.0088	2.91	583	.0297	11.29	1 231	.0628	20,80	476	.0243	9.22
4 100	2 314	6 414	.2506		5 659	.2211	–	–	–	755	.0296	13.38	1 182	.0462	18,43	427	.0166	7.55

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN
EQUITY NO. 13,829

STATEMENT OF COMMISSIONS, COSTS AND

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S

NOTE:- The 1934 figures cover Jany. Feby. Mar. & Apr. unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS						
				ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				APPRAISAL ADJUST-MEN'S.	INCLUDING APPRAISALS	
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS.	TOTAL	PER HEAD		TOTAL	PER HEAD
85	SCHROEDER L. S. COM. CO.	1932	57 848	19 669	.3400	81.17	15 965	.2760	3 790	11 239	15 029	.2598	3 677	18 706	.3234
		1933	75 663	25 312	.3345	81.17	20 546	.2715	3 600	16 273	19 873	.2627	3 717	23 590	.3118
		1934	27 603	9 527	.3451	81.17	7 733	.2802	2 040	6 155	8 195	.2969	1 238	9 433	.3417
86	SHELDON COM. CO.	1932	13 279	3 962	.2984	82.97	3 287	.2475	2 087	1 996	4 083	.3075	87	3 996	.3009
		1933	8 573	2 691	.3139	82.97	2 233	.2605	1 229	1 462	2 691	.3139	87	2 604	.3037
		1934	2 594	791	.3049	82.97	656	.2529	410	381	791	.3076	29	762	.2938
87	SHERWOOD & SON	1932	41 750	16 000	.3832	79.32	12 691	.3040	6 198	10 391	16 589	.3973	1 002	17 591	.4213
		1933	52 063	19 683	.3781	79.32	15 613	.2999	9 841	11 697	21,538	.4137	1 002	22 540	.4329
		1934	21 906	8 333	.3804	79.32	6 610	.3017	3 465	4 868	8 333	.3804	334	8 667	.3957
88	W. E. YOUNG (JAN. FEB. & MARCH)	1932	1 898	782	.4120	74.32	581	.3061	685	153	838	.4415	215	1 053	.5548
		1933	1 407	600	.4264	74.32	446	.3170	467	133	600	.4264	215	815	.5792
		1934	163	78	.4785	74.32	58	.3558	56	22	78	.5399	54	132	.8098
89	SINCLAIR COM. CO.	1932	756	397	.5251	79.32	315	.4167	181	1 631	1 812	2.3968	18	1 830	.4206
		1933	(OUT OF BUSINESS)												
		1934	(OUT OF BUSINESS)												
90	W. R. SMITH & SON	1932	273 329	20 614	.0754	77.15	15 904	.0582	6 465	20 414	26 879	.0983	4 310	31 189	.1141
		1933	194 451	19 081	.0981	77.15	14 721	.0757	5 172	12 371	17 543	.0902	4 310	21 853	.1124
		1934	66 077	6 084	.0921	77.15	4 694	.0710	1 600	4 170	5 770	.0873	1 437	7 207	.1091
91	L. SPENCER & CO.	1932	26 601	6 960	.2616	79.32	5 521	.2075	3 709	6 031	9 740	.3661	291	10 031	.3771
		1933	32 940	12 192	.3701	79.32	9 671	.2936	3 614	6 272	9 886	.3001	291	10 177	.3090
		1934	(DESTROYED BY FIRE)												
92	STAFFORD BROTHERS	1932	98 491	40 356	.4097	78.56	31 704	.3219	5 334	28 184	33 518	.3403	4 191	37 709	.3829
		1933	112 080	53 516	.4775	78.56	42 042	.3751	5 334	38 484	43 818	.3910	4 191	48 009	.4283
		1934	29 493	17 273	.5857	78.56	13 570	.4601	2 800	12 945	15 745	.5339	1 395	17 140	.5812
93	STANDARD L. S. COM. CO.	1932	128 619	38 327	.2980	78.85	30 221	.2350	9 977	32 068	41 985	.3264	644	41 341	.3214
		1933	138 560	38 685	.2792	78.85	30 503	.2201	17 525	18 974	36 499	.2634	135	36 634	.2644
		1934	31 876	13 337	.4184	78.85	10 516	.3299	5 965	7 053	13 018	.4084	45	13 063	.4098
94	STARRETT L. S. COM. CO. (JAN. FEB. & MARCH)	1932	18 247	7 616	.4174	74.83	5 699	.3123	3 209	5 643	8 852	.4851	2 641	11 493	.6209
		1933	17 810	8 270	.4643	74.83	6 188	.3474	3 405	4 777	8 182	.4594	2 641	10 823	.6077
		1934	5 466	2 663	.4872	74.83	1 993	.3646	1 408	1 255	2 663	.4872	660	3 323	.6079
	STEWARD & MCILHANY	1932	5 261	3 031	.5761	79.32	2 404	.4570	1 677	1 671	3 348	.6364	823	4 171	.7928
		1933	2 606	1 705	.6543	79.32	1 352	.5188	958	747	1 705	.6539	823		

NO.	NAME OF FIRM		HEAD	TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL TOTAL	TOTAL PER HEAD	ADJUST-MEN'S.	TOTAL	PER HEAD
		1932	57 848	19 669	.3400	81.17	15 965	.2760	3 790	11 239	15 029	.2598	3 677	18 706	.3234
85	SCHROEDER L. S. COM. CO.	1933	75 663	25 312	.3345	81.17	20 546	.2715	3 600	16 273	19 873	.2627	3 717	23 590	.3118
		1934	27 603	9 527	.3451	81.17	7 733	.2802	2 040	6 155	8 195	.2969	1 238	9 433	.3417
		1932	13 279	3 962	.2984	82.97	3 287	.2475	2 087	1 996	4 083	.3075	87	3 996	.3009
86	SHELDON COM. CO.	1933	8 573	2 691	.3139	82.97	2 233	.2605	1 229	1 462	2 691	.3139	87	2 604	.3037
		1934	2 594	791	.3049	82.97	656	.2529	410	381	791	.3076	29	762	.2938
		1932	41 750	16 000	.3832	79.32	12 691	.3040	6 198	10 391	16 589	.3973	1 002	17 591	.4213
87	SHERWOOD & SON	1933	52 063	19 683	.3781	79.32	15 613	.2999	9 841	11 697	21 538	.4137	1 002	22 540	.4329
		1934	21 906	8 333	.3804	79.32	6 610	.3017	3 465	4 868	8 333	.3804	334	8 667	.3957
		1932	1 898	782	.4120	74.32	581	.3061	685	153	838	.4415	215	1 053	.5548
88	W. E. YOUNG	1933	1 407	600	.4264	74.32	446	.3170	467	133	600	.4264	215	815	.5792
	(JAN. FEB. & MARCH)	1934	163	78	.4785	74.32	58	.3558	56	22	78	.5399	54	132	.8098
		1932	756	397	.5251	79.32	315	.4167	181	1 631	1 812	2.3968	18	1 830	.4206
89	SINCLAIR COM. CO.	1933	(OUT OF BUSINESS)												
		1934	(OUT OF BUSINESS)												
		1932	273 329	20 614	.0754	77.15	15 904	.0582	6 465	20 414	26 879	.0983	4 310	31 189	.1141
90	W. R. SMITH & SON	1933	194 451	19 081	.0981	77.15	14 721	.0757	5 172	12 371	17 543	.0902	4 310	21 853	.1124
		1934	66 077	6 084	.0921	77.15	4 694	.0710	1 600	4 170	5 770	.0873	1 437	7 207	.1091
		1932	26 601	6 960	.2616	79.32	5 521	.2075	3 709	6 031	9 740	.3661	291	10 031	.3771
91	L. SPENCER & CO.	1933	32 940	12 192	.3701	79.32	9 671	.2936	3 614	6 272	9 886	.3001	291	10 177	.3090
		1934	(DESTROYED BY FIRE)												
		1932	98 491	40 356	.4097	78.56	31 704	.3219	5 334	28 184	33 518	.3403	4 191	37 709	.3829
92	STAFFORD BROTHERS	1933	112 080	53 516	.4775	78.56	42 042	.3751	5 334	38 484	43 818	.3910	4 191	48 009	.4283
		1934	29 493	17 273	.5857	78.56	13 570	.4601	2 600	12 945	15 745	.5339	1 395	17 140	.5812
		1932	128 619	38 327	.2980	78.85	30 221	.2350	9 977	32 068	41 985	.3264	644	41 341	.3214
93	STANDARD L. S. COM. CO.	1933	138 560	38 685	.2792	78.85	30 503	.2201	17 525	18 974	36 499	.2634	135	36 634	.2644
		1934	31 876	13 337	.4184	78.85	10 516	.3299	5 965	7 053	13 018	.4084	45	13 063	.4098
		1932	18 247	7 616	.4174	74.83	5 699	.3123	3 209	5 643	8 852	.4851	2 641	11 493	.6209
94	STARRETT L. S. COM. CO.	1933	17 810	8 270	.4643	74.83	6 188	.3474	3 405	4 777	8 182	.4594	2 641	10 823	.6077
	(JAN. FEB. & MARCH)	1934	5 466	2 663	.4872	74.83	1 993	.3646	1 408	1 255	2 663	.4872	660	3 323	.6079
		1932	5 261	3 031	.5761	79.32	2 404	.4570	1 677	1 671	3 348	.6364	823	4 171	.7928
95	STEWARD & MCILLHANY	1933	2 606	1 705	.6543	79.32	1 352	.5188	958	747	1 705	.6539	823	2 528	.9697
		1934	(NO BUSINESS)												
		1932	79 472	32 695	.4114	74.77	24 446	.3076	8 896	24 453	33 349	.4196	7 187	40 536	.5101
96	ST. JOHN COMPTON & DUNBAR	1933	41 251	21 168	.5132	74.77	15 827	.3837	2 600	13 604	16 204	.3928	4 029	20 233	.4905
		1934	11 593	5 470	.4718	74.77	4 090	.3528	442	5 469	5 911	.5099	1 342	7 253	.6256
		1932	151 225	52 670	.3483	82.38	43 390	.5738	19 575	34 488	54 063	.3575	10 425	64 488	.4264
97	STOCKMENS L. S. COM. CO.	1933	148 180	56 528	.3815	82.38	46 568	.3143	24 000	33 515	57 515	.3681	10 425	67 940	.4585
		1934	37 137	16 776	.4517	82.38	13 820	.3721	5 000	11 913	16 913	.4554	3 475	20 388	.5490
		1932	1 024	570	.5566	79.32	452	.4414	391	278	669	.6533	1 610	2 279	2.2256
98	C. H. ACKER & CO.	1933	562	490	.8737	79.32	389	.6932	245	245	490	.8719	1 610	2 100	3.7367
		1934	(DESTROYED BY FIRE)												

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

NT OF COMMISSIONS, COSTS AND PROFIT OR LOSS

NT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS							PROFIT OR LOSS											
EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS.	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL			TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
		TOTAL	PER HEAD															
3 790	11 239	15 029	.2598	3 677	18 706	.3234	4 640	.0802	30.87	963	.0166	5.15	936	.0162	6.23	2 741	.0474	14.65
3 600	16 273	19 873	.2627	3 717	23 590	.3118	5 439	.0719	27.37	1 722	.0228	7.30	673	.0089	3.39	3 044	.0402	12.90
2 040	6 155	8 195	.2969	1 238	9 433	.3417	1 332	.0483	16.25	94	.0034	1.00	462	.0167	5.64	1 700	.0616	18.02
2 087	1 996	4 083	.3075	87	3 996	.3009	121	.0091	2.96	34	.0025	.85	796	.0599	19.50	709	.0534	17.74
1 229	1 462	2 691	.3139	87	2 604	.3037	–	–	–	87	.0101	3.34	458	.0534	17.02	371	.0433	14.25
410	381	791	.3076	29	762	.2938	–	–	–	29	.0112	3.81	135	.0520	17.07	106	.0409	13.91
6 198	10 391	16 589	.3973	1 002	17 591	.4213	589	.0141	3.55	1 591	.0381	9.04	3 898	.0934	23.50	4 900	.1174	27.86
9 841	11 697	21 538	.4137	1 002	22 540	.4329	1 855	.0356	8.61	2 857	.0549	12.68	5 925	.1138	27.51	6 927	.1331	30.73
3 465	4 868	8 333	.3804	334	8 667	.3957	–	–	–	334	.0152	3.85	1 723	.0787	20.68	2 057	.0939	23.73
685	153	838	.4415	215	1 053	.5548	56	.0295	6.68	271	.1428	25.74	257	.1354	30.67	472	.2487	44.82
467	133	600	.4264	215	815	.5792	–	–	–	215	.1528	26.38	154	.1095	25.67	369	.2623	45.28
56	22	78	.5399	54	132	.8098	–	–	–	54	.3313	40.91	20	.1227	25.64	74	.4540	56.00
181	1 631	1 812	2.3968	18	1 830	.4206	1 415	1.8717	78.09	1 433	1.8955	78.31	1 497	.8525	82.62	1 515	.2004	82.79
6 465	20 414	26 879	.0983	4 310	31 189	.1141	6 265	.0229	23.31	10 575	.0387	33.91	10 975	.0402	40.83	15 285	.0559	49.00
5 172	12 371	17 543	.0902	4 310	21 853	.1124	1 538	.0079	8.77	2 772	.0143	12.68	2 822	.0145	16.09	7 132	.0367	32.64
1 600	4 170	5 770	.0873	1 437	7 207	.1091	314	.0048	5.44	1 123	.0170	15.58	1 076	.0163	18.65	2 513	.0380	34.87
3 709	6 031	9 740	.3661	291	10 031	.3771	2 780	.1045	28.54	3 071	.1155	30.62	4 219	.1586	43.32	4 510	.1699	44.96
3 614	6 272	9 886	.3001	291	10 177	.3090	2 306	.0700	23.33	2 015	.0612	19.80	215	.0065	2.17	506	.0154	4.97
5 334	28 184	33 518	.3403	4 191	37 709	.3829	6 838	.0694	20.40	2 647	.0268	7.02	1 814	.0184	5.41	6 005	.0610	15.92
5 334	38 484	43 818	.3910	4 191	48 009	.4283	9 698	.0865	22.13	5 507	.0491	11.47	1 776	.0158	4.05	5 967	.0532	12.43
2 800	12 945	15 745	.5339	1 395	17 140	.5812	1 528	.0518	9.70	133	.0045	.78	2 175	.0737	13.82	3 570	.1210	20.83
9 977	32 068	41 985	.3264	644	41 341	.3214	3 658	.0284	8.71	3 014	.0234	7.29	11 764	.0915	28.02	11 120	.0865	26.90
17 525	18 974	36 499	.2634	135	36 634	.2644	2 186	.0158	5.99	2 051	.0148	5.60	5 996	.0433	16.43	6 131	.0442	16.74
5 965	7 053	13 018	.4084	45	13 063	.4098	319	.0100	2.45	274	.0086	2.10	2 502	.0785	19.22	2 547	.0799	19.50
3 209	5 643	8 852	.4851	2 641	11 493	.6209	1 236	.0677	13.96	3 877	.2125	33.37	6 153	.1728	35.62	5 794	.3175	50.41
3 405	4 777	8 182	.4594	2 641	10 823	.6077	88	.0049	1.08	2 553	.1433	23.59	1 994	.1120	24.37	4 635	.2602	42.83
1 408	1 255	2 663	.4872	660	3 323	.6079	–	–	–	660	.1207	19.86	670	.1226	25.16	1 330	.2433	40.02
1 677	1 671	3 348	.6364	823	4 171	.7928	317	.0603	9.47	1 140	.2167	27.33	944	.1794	28.20	1 767	.3359	42.36
958	747	1 705	.6539	823	2 528	.9697	–	–	–	823	.3158	32.56	353	.1355	20.70	1 176	.4513	46.52

3 790	11 239	15 029	.2598	3 677	18 706	.3234	4 640	.0802	30.87	963	.0166	5.15	936	.0162	6.23	2 741	.0474	14.65
3 600	16 273	19 873	.2627	3 717	23 590	.3118	5 439	.0719	27.37	1 722	.0228	7.30	673	.0089	3.39	3 044	.0402	12.90
2 040	6 155	8 195	.2969	1 238	9 433	.3417	1 332	.0483	16.25	94	.0034	1.00	462	.0167	5.64	1 700	.0616	18.02
2 087	1 996	4 083	.3075	87	3 996	.3009	121	.0091	2.96	34	.0025	.85	796	.0599	19.50	709	.0534	17.74
1 229	1 462	2 691	.3139	87	2 604	.3037	–	–	–	87	.0101	3.34	458	.0534	17.02	371	.0433	14.25
410	381	791	.3076	29	762	.2938	–	–	–	29	.0112	3.81	135	.0520	17.07	106	.0409	13.91
6 198	10 391	16 589	.3973	1 002	17 591	.4213	569	.0141	3.55	1 591	.0381	9.04	3 898	.0934	23.50	4 900	.1174	27.86
9 841	11 697	21 538	.4137	1 002	22 540	.4329	1 655	.0356	8.61	2 857	.0549	12.68	5 925	.1138	27.51	6 927	.1331	30.73
3 465	4 868	8 333	.3804	334	8 667	.3957	–	–	–	334	.0152	3.85	1 723	.0787	20.68	2 057	.0939	23.73
685	153	838	.4415	215	1 053	.5548	96	.0295	6.68	271	.1428	25.74	257	.1354	30.67	472	.2487	44.82
467	133	600	.4264	215	815	.5792	–	–	–	215	.1528	26.38	154	.1096	25.67	369	.2623	45.28
56	22	78	.5399	54	132	.8098	–	–	–	54	.3313	40.91	20	.1227	25.64	74	.4540	56.06
181	1 631	1 812	2.3968	18	1 830	.4206	1 415	1.8717	78.09	1 433	1.8955	78.31	1 497	.8525	82.62	1 515	.2004	82.79
6 465	20 414	26 879	.0983	4 310	31 189	.1141	6 285	.0229	23.31	10 575	.0387	33.91	10 975	.0402	40.83	15 285	.0559	49.00
5 172	12 371	17 543	.0902	4 310	21 853	.1124	1 538	.0079	8.77	2 772	.0143	12.66	2 822	.0145	16.09	7 132	.0367	32.64
1 600	4 170	5 770	.0873	1 437	7 207	.1091	314	.0048	5.44	1 123	.0170	15.56	1 076	.0163	18.65	2 513	.0380	34.87
3 709	6 031	9 740	.3661	291	10 031	.3771	2 780	.1045	28.54	3 071	.1155	30.62	4 219	.1586	43.32	4 510	.1699	44.96
3 614	6 272	9 886	.3001	291	10 177	.3090	2 306	.0700	23.33	2 015	.0612	19.80	215	.0065	2.17	506	.0154	4.97
5 334	28 184	33 518	.3403	4 191	37 709	.3829	6 838	.0694	20.40	2 647	.0268	7.02	1 814	.0184	5.41	6 005	.0610	15.92
5 334	38 484	43 818	.3910	4 191	48 009	.4283	9 698	.0865	22.15	5 507	.0491	11.47	1 776	.0158	4.05	5 967	.0532	12.43
2 800	12 945	15 745	.5339	1 395	17 140	.5912	1 528	.0518	9.70	133	.0045	.78	2 175	.0737	13.82	3 570	.1210	20.83
9 977	32 068	41 985	.3264	44	41 341	.3214	3 656	.0284	8.71	3 014	.0234	7.29	11 764	.0915	28.02	11 120	.0865	26.90
17 525	18 974	36 499	.2634	135	36 634	.2644	2 186	.0158	5.99	2 051	.0148	5.60	5 996	.0433	16.43	6 131	.0442	16.74
5 965	7 053	13 018	.4084	45	13 063	.4098	319	.0100	2.45	274	.0086	2.10	2 502	.0785	19.22	2 547	.0799	19.50
3 209	5 643	8 852	.4851	2 641	11 493	.6209	1 236	.0677	13.96	3 877	.2125	33.37	3 153	.1728	35.62	5 794	.3175	50.41
3 405	4 777	8 182	.4594	2 641	10 823	.6077	88	.0049	1.08	2 553	.1433	23.59	1 994	.1120	24.37	4 635	.2602	42.83
1 408	1 255	2 663	.4872	660	3 323	.6079	–	–	–	660	.1207	19.86	670	.1226	25.16	1 330	.2433	40.02
1 677	1 671	3 348	.6364	823	4 171	.7928	317	.0603	9.47	1 140	.2167	27.33	944	.1794	26.20	1 767	.3359	42.36
958	747	1 705	.6539	823	2 528	.9697	–	–	–	823	.3158	32.36	353	.1355	20.70	1 176	.4513	46.52
8 896	24 453	33 349	.4196	7 187	40 536	.5101	694	.0082	1.96	7 841	.0987	19.34	8 303	.1120	26.70	16 090	.2025	39.69
2 600	13 604	16 204	.3928	4 029	20 233	.4905	4 964	.1203	30.64	935	.0227	4.62	377	.0091	2.33	4 406	.1068	21.76
442	5 469	5 911	.5099	1 342	7 253	.6256	441	.0380	7.47	1 783	.1538	24.58	1 821	.1571	30.81	3 163	.2728	43.61
19 575	34 488	54 063	.3575	10 425	64 488	.4264	1 393	.0092	2.58	11 816	.0781	18.33	10 673	.0706	19.74	21 098	.1395	32.72
24 000	33 515	57 515	.3881	10 425	67 940	.4585	967	.0067	1.72	11 412	.0770	16.80	10 947	.0739	19.03	21 372	.1442	31.46
5 000	11 913	16 913	.4554	3 475	20 388	.5490	137	.0037	.81	3 812	.0973	17.72	3 093	.0833	18.29	6 568	.1769	32.22
391	278	669	.6533	1 610	2 279	2.2256	99	.0967	14.60	1 704	1.6650	74.99	217	.2119	32.44	1 827	1.7842	80.17
245	245	490	.8719	1 610	2 100	3.7367				1 610	3.2206	76.67	101	.1797	20.61	1 711	3.0445	81.48

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DI
EQUITY NO. 13,829

STATEMENT OF COMMISSIONS, COSTS AND E

UNDER PRESENT COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S C

NOTE:- The 1934 figures cover Jany. Feby. Mar. & Apr. unless otherwise indicated.

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	COMMISSIONS					COSTS						
				ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS	INCLUDING APPRAISALS	
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL	PER HEAD		TOTAL	PER HEAD
101	WM. DANIEL	1932	3 476	2 325	.6689	79.32	1 844	.5305	1 454	984	2 438	.7014	1 046	3 484	1.0023
		1933	3 863	2 826	.7316	79.32	2 242	.5804	2 099	727	2 826	.7313	1 046	3 872	1.0018
		1934	(DESTROYED BY FIRE)												
102	WILL C. WOOD & CO.	1932	10 116	2 674	.2643	84.88	2 270	.2244	1 300	1 286	2 586	.2556	100	2 686	.2655
		1933	(DESTROYED BY FIRE)												
		1934	5 962	1 252	.2100	84.88	1 063	.1783	547	705	1 252	.2199	33	1 285	.2155
103	JOHN A HAVEY CO.	1932	67 290	5 238	.0777	79.32	4 155	.0617	3 474	1 865	5 339	.0792	126	5 465	.0812
		1933	(DECEASED)												
		1934	(DECEASED)												
104	INGWERSEN, MOSIER & INGWERSEN	1932	34 404	18 565	.5396	75.28	13 976	.4062	8 173	7 938	16 111	.4683	6 494	22 605	.6570
		1933	102 789	52 257	.5084	75.28	39 339	.3827	24 999	20 531	45 530	.4429	19 482	65 012	.6325
		1934	34 108	16 552	.4853	75.28	12 460	.3653	8 173	7 132	15 305	.4487	6 494	21 799	.6391
105	BROTT L. S. COM. CO.	1932	(NOT IN BUSINESS)												
		1933	31 720	9 326	.2940	79.32	7 397	.2332	4 117	5 209	9 326	.2940	-	9 326	.2940
		1934	12 976	3 302	.2545	79.32	2 619	.2018	1 543	1 759	3 302	.2545	-	3 302	.2545
106	HALPIN L. S. COM. CO.	1932	(NOT IN BUSINESS)												
		1933	(NOT IN BUSINESS)												
		1934	(INCLUDED IN STOCKMENS LIVESTOCK COMM. CO.)												
107	C. W. HART	1932	(NOT IN BUSINESS)												
		1933	11 117	3 514	.3161	79.32	2 787	.2507	2 108	1 406	3 514	.3161	-	3 514	.3161
		1934	(DESTROYED BY FIRE)												
108	W. O. JENNINGS & CO.	1932	(NOT IN BUSINESS)												
	(JAN. FEB. & MARCH)	1933	18 551	9 330	.5029	78.94	7 365	.3970	4 687	4 643	9 330	.5029	-	9 330	.5029
		1934	8 401	4 552	.5419	78.94	3 593	.4277	2 959	1 593	4 552	.5419	-	4 552	.5419
109	O. E. NIXON & CO.	1932													
		1933		(INCLUDED IN WM. DANIEL)											
		1934													
110	STEPHENSON COM. CO.	1932	(NOT IN BUSINESS)												
		1933	17 113	4 762	.2783	83.07	3 956	.2312	788	3 974	4 762	.2783	-	4 762	.2783
		1934	(DESTROYED BY FIRE)												
1	A. P. SCHMAL	1932	8 287	3 211	.3875	79.32	2 547	.3073	1 311	2 033	3 344	.4035	523	3 867	.4666
		1933	7 652	3 231	.4222	79.32	2 563	.3349	1 615	1 616	3 231	.4221	566	3 797	.4961
		1934	(INCLUDED IN NORTHWESTERN												

FIRM NO.	NAME OF FIRM	YEAR	NUMBER OF HEAD	ACTUAL		SECRETARY'S ORDER			EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS	INCLUDING APPRAISALS	
				TOTAL	PER HEAD	% OF ACTUAL	TOTAL	PER HEAD	OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL			TOTAL	PER HEAD
											TOTAL	PER HEAD			
101	WM. DANIEL	1932	3 476	2 325	.6689	79.32	1 844	.5305	1 454	984	2 438	.7014	1 046	3 484	1.0023
		1933	3 863	2 826	.7316	79.32	2 242	.5804	2 099	727	2 826	.7313	1 046	3 872	1.0018
		1934	(DESTROYED BY FIRE)												
102	WILL C. WOOD & CO.	1932	10 116	2 674	.2643	84.88	2 270	.2244	1 300	1 286	2 586	.2556	100	2 686	.2655
		1933	(DESTROYED BY FIRE)												
		1934	5 962	1 252	.2100	84.88	1 063	.1783	547	705	1 252	.2199	33	1 285	.2155
103	JOHN A HAVEY CO.	1932	67 290	5 238	.0777	79.32	4 155	.0617	3 474	1 865	5 339	.0792	126	5 465	.0812
		1933	(DECEASED)												
		1934	(DECEASED)												
104	INGWERSEN, MOSIER & INGWERSEN	1932	34 404	18 565	.5396	75.28	13 976	.4062	8 173	7 938	16 111	.4683	6 494	22 605	.6570
		1933	102 789	52 257	.5084	75.28	39 339	.3827	24 999	20 531	45 530	.4429	19 482	65 012	.6325
		1934	34 108	16 552	.4853	75.28	12 460	.3653	8 173	7 132	15 305	.4487	6 494	21 799	.6391
105	BROTT L. S. COM. CO.	1932	(NOT IN BUSINESS)												
		1933	31 720	9 326	.2940	79.32	7 397	.2332	4 117	5 209	9 326	.2940	-	9 326	.2940
		1934	12 976	3 302	.2545	79.32	2 619	.2018	1 543	1 759	3 302	.2545	-	3 302	.2545
106	HALPIN L. S. COM. CO.	1932	(NOT IN BUSINESS)												
		1933	(NOT IN BUSINESS)												
		1934	(INCLUDED IN STOCKMENS LIVESTOCK COMM. CO.)												
107	C. W. HART	1932	(NOT IN BUSINESS)												
		1933	11 117	3 514	.3161	79.32	2 787	.2507	2 108	1 406	3 514	.3161	-	3 514	.3161
		1934	(DESTROYED BY FIRE)												
108	W. O. JENNINGS & CO. (JAN. FEB. & MARCH)	1932	(NOT IN BUSINESS)												
		1933	18 551	9 330	.5029	78.94	7 365	.3970	4 687	4 643	9 330	.5029	-	9 330	.5029
		1934	8 401	4 552	.5419	78.94	3 593	.4277	2 959	1 593	4 552	.5419	-	4 552	.5419
109	C. E. NIXON & CO.	1932													
		1933	(INCLUDED IN WM. DANIEL)												
		1934													
10	STEPHENSON COM. CO.	1932	(NOT IN BUSINESS)												
		1933	17 113	4 762	.2783	83.07	3 956	.2312	788	3 974	4 762	.2783	-	4 762	.2783
		1934	(DESTROYED BY FIRE)												
11	A. P. SCHMAL	1932	8 287	3 211	.3875	79.32	2 547	.3073	1 311	2 033	3 344	.4035	523	3 867	.4666
		1933	7 652	3 231	.4222	79.32	2 563	.3349	1 615	1 616	3 231	.4221	566	3 797	.4961
		1934	(INCLUDED IN NORTHWESTERN LIVESTOCK COM. CO.)												
12	ROBERT E. JOHNSON	1932	(NOT IN BUSINESS)												
		1933	7 667	1 425	.1859	80.53	1 148	.1497	977	448	1 425	.1859	-	1 425	.1859
		1934	(INCLUDED IN MURRAY & MCDOWELL)												
	ALL FIRMS	1932	8 [illegible] 181	2 670 704	.3211	79.32	2 120 871	.2541	703 220	2 034 [illegible]	2 [illegible] 360	.3154	[illegible]	3181 183	.3818
		1933	8 259 301	2 922 259	.3538	79.32	2 315 007	.2803	772 090	1 887 149	2 659 239	.3220	333 753	2992 992	.3624
		1934	2 403 821	897 628	.3599	79.32	711 170	.2958	221 100	686 250	887 350	.3359	100 460	907 810	.3777

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

T OF COMMISSIONS, COSTS AND PROFIT OR LOSS

T COMMISSION RATES, AS COMPARED WITH RATES UNDER SECRETARY'S ORDER DATED MARCH 12, 1934

SCHEDULE NO. 7

COSTS							PROFIT OR LOSS											
EXCLUDING APPRAISALS				APPRAISAL ADJUST-MENTS	INCLUDING APPRAISALS		BASED ON PRESENT COMMS. EXCLUDING APPRAISALS			BASED ON PRESENT COMMS. INCLUDING APPRAISALS			BASED ON SECY'S COMMS. EXCLUDING APPRAISALS			BASED ON SECY'S COMMS. INCLUDING APPRAISALS		
OWNERS' SALARIES	OTHER SALY & EXPS	TOTAL			TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
		TOTAL	PER HEAD															
1 454	984	2 438	.7014	1 046	3 484	1.0023	113	.0325	4.63	1 159	.3334	33.27	594	.1709	24.36	1 640	.4718	47.07
2 099	727	2 826	.7313	1 046	3 872	1.0018	–	–	–	1 046	.2703	26.98	584	.1512	20.67	1 630	.4214	42.07
1 300	1 286	2 586	.2556	100	2 686	.2655	88	.0087	3.40	12	.0012	.45	316	.0312	12.22	416	.0411	15.49
547	705	1 252	.2199	33	1 285	.2155	–	–	–	33	.0055	2.57	189	.0317	15.10	222	.0372	17.28
3 474	1 865	5 339	.0792	126	5 465	.0812	101	.0015	1.89	227	.0035	4.15	1 184	.0176	22.18	1 310	.0195	23.97
8 173	7 938	16 111	.4683	6 494	22 605	.6570	2 454	.0713	15.23	4 040	.1174	17.87	2 135	.0621	13.25	8 629	.2508	38.17
24 999	20 531	45 530	.4429	19 482	65 012	.6325	6 727	.0654	14,77	12 755	.1241	19.62	6 191	.0602	13.60	25 673	.2498	39.49
8 173	7 132	15 305	.4487	6 494	21 799	.6391	1 247	.0366	8.15	5 247	.1538	24:07	2 845	.0834	18.59	9 339	.2738	42.84
4 117	5 209	9 326	.2940	–	9 326	.2940	–	–	–	–	–	–	1 929	.0608	20.68	1 929	.0608	20.68
1 543	1 759	3 302	.2545	–	3 302	.2545	–	–	–	–	–	–	683	.0526	20.68	683	.0526	20.68
2 108	1 406	3 514	.3161	–	3 514	.3161	–	–	–	–	–	–	727	.0654	20.69	727	.0654	20.69
4 687	4 643	9 330	.5029	–	9 330	.5029	–	–	–	–	–	–	1 965	.1059	21.06	1 965	.1059	21.06
2 959	1 593	4 552	.5419	–	4 552	.5419	–	–	–	–	–	–	959	.1142	21.07	959	.1142	21.07
788	3 974	4 762	.2783	–	4 762	.2783	–	–	–	–	–	–	806	.0471	16.93	806	.0471	16.93
1 311	2 033	3 344	.4035	523	3 867	.4666	133	.0160	3.98	656	.0791	16.96	797	.0962	23.83	1 320	.1593	34.13
1 615	1 616	3 231	.4221	566	3 797	.4961	–	–	–	566	.0740	1.49	668	.0873	20.67	1 234	.1613	32.50

WNERS' LARIES	OTHER SALY & EXPS	TOTAL TOTAL	TOTAL PER HEAD	ADJUST-MENTS	TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
1 454	984	2 438	.7014	1 046	3 484	1.0023	113	.0325	4.63	1 159	.3334	33.27	594	.1709	24.36	1 640	.4718	47.07
2 099	727	2 826	.7313	1 046	3 872	1.0018	–	–	–	1 046	.2703	26.98	584	.1512	20.67	1 630	.4214	42.07
1 300	1 286	2 586	.2556	100	2 686	.2655	88	.0087	3.40	12	.0012	.45	316	.0312	12.22	416	.0411	15.49
547	705	1 252	.2199	33	1 285	.2155	–	–	–	33	.0055	2.57	189	.0317	15.10	222	.0372	17.28
3 474	1 865	5 339	.0792	126	5 465	.0812	101	.0015	1.89	227	.0035	4.15	1 184	.0176	22.18	1 310	.0195	23.97
8 173	7 938	16 111	.4683	6 494	22 605	.6570	2 454	.0713	15.23	4 040	.1174	17.87	2 135	.0621	13.25	8 629	.2508	38.17
24 999	20 531	45 530	.4429	19 482	65 012	.6325	6 727	.0654	14.77	12 755	.1241	19.62	6 191	.0602	13.60	25 673	.2498	39.49
8 173	7 132	15 305	.4487	6 494	21 799	.6391	1 247	.0366	8.15	5 247	.1538	24.07	2 845	.0834	18.59	9.339	.2738	42.84
4 117	5 209	9 326	.2940	–	9 326	.2940	–	–	–	–	–	–	1 929	.0608	20.68	1 929	.0608	20.68
1 543	1 759	3 302	.2545	–	3 302	.2545	–	–	–	–	–	–	683	.0526	20.68	683	.0526	20.68
2 108	1 406	3 514	.3161	–	3 514	.3161	–	–	–	–	–	–	727	.0654	20.69	727	.0654	20.69
4 687	4 643	9 330	.5029	–	9 330	.5029	–	–	–	–	–	–	1 965	.1059	21.06	1 965	.1059	21.06
2 959	1 593	4 552	.5419	–	4 552	.5419	–	–	–	–	–	–	959	.1142	21.07	959	.1142	21.07
788	3 974	4 762	.2783	–	4 762	.2783	–	–	–	–	–	–	806	.0471	16.93	806	.0471	16.93
1 311	2 033	3 344	.4035	523	3 867	.4666	133	.0160	3.98	656	.0791	16.96	797	.0962	23.83	1 320	.1593	34.13
1 615	1 616	3 231	.4221	566	3 797	.4961	–	–	–	566	.0740	1.49	668	.0873	20.67	1 234	.1613	32.50
977	448	1 425	.1859	–	1 425	.1859	–	–	–	–	–	–	277	.0361	19.44	277	.0361	19.44
93 200	2 034 050	2 127 300	.3154	353 508	3181 193	.3318	81 424	.0057	1.82	302 485	.0337	9.51	540 509	.0609	19.33	900 318	.1004	28.30
72 090	1 087 149	2 659 239	.3220	333 753	2992 992	.3624	263 020	.0318	9.89	70 731	.0086	2.36	344 231	.0417	12.94	677 983	.0821	22.65
23 100	586 250	807 350	.3359	100 460	907 810	.3777	90 278	.0375	11.18	10 183	.0042	1.12	96 180	.0400	11.91	196 641	.0818	21.66

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

Petitioners' Exhibit No. 3
Witness, Earle D. Mudd.

SECRETARY'S REASONABLE COST
Cattle & calves - $ .4927
Hogs..... - .1323
Sheep..... - .0485

STATEMENT SHOWING THE APPLICATION OF THE SECRETARY'S REASONABLE COST PER HEAD
(As shown on page 110 of Secretary's order dated January 8, 1934)
TO THE VOLUME OF BUSINESS HANDLED DURING THE YEAR 1932

SCHEDULE NO. 8

FIRM NO.	NAME OF FIRM	CATTLE & CALVES		HOGS		SHEEP		ALL SPECIES		
		HEAD	SECY. COST	HEAD	SECY. COST	HEAD	SECY. COST	HEAD	SECY. COST	SECY. COST PER HEAD
1	STRADER BROTHERS	1 095	471	3 805	503	372	18	5 272	992	.1882
2	ADAMS, CORRICK & HATCH	15 626	6 714	51 946	6 872	4 637	225	72 209	13 811	.1913
3	ADLER SONS & CO.	4 198	1 804	7 185	951	321	16	11 704	2 771	.2368
4	ALEXANDER CONOVER & CO.	146 965	63 151	104 236	13 790	132 822	6 442	384 023	83 383	.2171
5	LOUIS ARMBRECHT COM. CO.	2 007	862	1 491	197	468	23	3 966	1 082	.2728
6	BAKER, HEYNE & CO.	29 701	12 763	76 895	10 173	9 431	457	116 027	23 393	.2016
7	SULLIVAN COM. CO.	177	76	402	53	119	6	698	135	.1934
8	BARTON, LOONEY & CO.	14 096	6 057	10 288	1 361	1 252	61	25 636	7 479	.2917
9	BENTON & CO.	3 466	1 489	17 359	2 297	1 149	56	21 974	3 842	.1748
10	BOWLES L. S. COM. CO.	59 159	25 421	66 307	8 772	148 745	7 214	274 211	41 407	.1510
11	SWANSON, GILMORE & CASTENHOLZ	62 783	26 978	105 011	13 893	6 931	336	174 725	41 207	.2358
12	ABE BURNETT & CO.	7 814	3 358	8 434	1 116	3 409	165	19 657	4 639	.2360
13	BYERS BROTHERS & CO.	3 608	1 550	11 296	1 494	1 441	70	16 345	3 114	.1905
14	CALLAHAN L. S. COM. CO.	121	52	14 152	1 872	13	1	14 286	1 925	.1347
15	HARRY L. CARPENTER	855	367	13 784	1 824	369	18	15 008	2 209	.1472
16	CENTRAL L. S. COM. CO.	28 931	12 432	51 783	6 851	4 605	223	85 319	19 506	.2286
17	CLARK BOWLES & CO.	412	177	2 699	357	90	4	3 201	538	.1681
18	JOHN CLAY & CO.	149 778	64 360	116 479	15 410	515 982	25 025	782 239	104 795	.1340
19	COCHRAN, HENNEBERRY & WALLACE	32 630	14 021	93 622	12 386	9 233	448	135 485	26 855	.1982
20	CONKLIN BROS. COM. CO.	47 832	20 553	93 825	12 413	6 367	309	148 024	33 275	.2248
21	H. D. COPELAND & CO.	47 508	20 414	100 545	13 302	29 199	1 416	177 252	35 132	.1982
22	SWINEY BROTHERS	19 987	8 588	118 620	15 694	7 922	384	146 529	24 666	.1683
23	DOLAN, LUDEMAN & CO.	42 362	18 203	77 905	10 307	2 525	122	122 792	28 632	.2332
24	DROVERS COM. CO.	48 754	20 950	93 757	7 112	2 676	130	105 187	28 192	.2680
26	H. L. DUNNING & CO.	26 031	11 186	40 243	5 324	2 220	108	68 494	16 618	.2426
27	H. O. THOMPSON & CO.	6 286	2 701	21 610	2 859	1 021	50	28 917	5 610	.1940
28	ETTLINGER L. S. COM. CO.	13 785	5 923	31 688	4 192	3 493	169	48 966	10 284	.2100
29	EVANS, SNIDER, BUEL COM. CO.	14 308	6 148	49 458	6 543	62 402	3 027	126 168	15 718	.1246
30	FILLER, WILSON & MCCLELLAND	47 364	20 352	24 616	3 257	4 715	229	76 695	23 838	.3108
31	FRED FREEMAN	1 033	444	-	-	-	-	1 033	444	.4298
32	I. O. FRY	1 792	770	1 809	239	860	42	4 461	1 051	.2356
33	WM. GENTLEMAN & SONS	60 917	26 176	74 722	9 886	11 959	580	147 598	36 642	.2483
34	GILLOGLY & CO.	32 711	14 056	116 999	15 480	6 444	313	156 154	29 849	.1912
35	GREENWOOD COM. CO.	4 533	1 948	25 879	3 424	1 255	61	31 667	5 433	.1716
36	HAIME & RENEKER	11 002	4 728	4 724	625	4 257	207	19 983	5 560	.2782
37	CHAS. E. HARDING CO.	19 767	8 494	65 748	8 698	2 521	122	88 036	17 314	.1967
38	UNITED COM. CO.	34 417	14 789	48 126	6 367	6 749	327	89 292	21 483	.2406
39	GEO. W. VON BERNER	1 449	623	18 252	2 415	145	7	19 846	3 045	.1534
40	HEFNER COM. CO. INC.	26 989	11 597	50 850	6 727	4 634	225	82 473	18 549	.2249
41	GEO. F. HOGAN	287	123	905	120	-	-	1 192	243	.2039
42	HOLLOWAY & OGREN	14 365	6 173	74 736	9 888	4 065	197	93 166	16 258	.1745
43	IOWA LIVE STOCK COM. CO.	39 217	16 852	47 412	6 273	1 818	88	88 447	23 213	.2625
4	DAVID C. WAGNER	1 069	459	16 616	2 198	1 323	64	19 008	2 721	.1432
45	WALTERS & DUNBAR	86 428	37 138	117 651	15 566	32 843	1 593	236 922	54 297	.2292
46	WALTER BROTHERS	3 130	1 345	2 806	371	827	40	6 763	1 756	.2596
47	KNETTLE BROTHERS	1 271	546	13 693	1 812	-	-	14 964	2 358	.1576
48	KUENSTER L. S. COM. CO.	59 659	25 635	153 661	20 329	12 275	595	225 595	46 559	.2064

46	WALTER BROTHERS	5 130	1 342	2 806	371	2 822	40	8 798	1 450	.1650
47	KNETTLE BROTHERS	1 271	546	13 693	1 812	–	–	14 964	2 358	.1576
48	KUENSTER L. S. COM. CO.	59 659	25 635	153 661	20 329	12 275	595	225 595	46 559	.2064
49	JOHN A. WATERS L. S. COM. CO.	10	4	7 584	1 003	59	3	7 653	1 010	.1320
50	LAMBRIGHT, KEYS & HUSTON	7 683	3 301	14 096	1 865	939	46	22 720	5 212	.2294
51	LAWLER BROTHERS & CO.	158 140	67 953	88 192	11 668	34 211	1 659	280 543	81 280	.2897
52	L. B. WERDEN	4 224	1 815	1 819	241	151	7	6 194	2 063	.3331
54	W. W. WILSON & CO.	32 619	14 016	63 713	8 429	5 073	246	101 405	22 691	.2238
55	MARTIN BROS. & CO.	26 343	11 320	57 814	7 649	12 827	622	96 984	19 591	.2020
56	MCCAUSLAND, HOAG & VAUGHAN	62 105	26 687	19 909	2 634	9 554	463	91 568	29 784	.3253
57	MERRION & WILKINS	–	–	–	–	609 912	29 581	609 912	29 581	.0485
58	MILLER, WHITE & WOODS	48 101	20 669	64 913	8 588	13 161	638	126 175	29 895	.2369
59	MINTEER, HUBBIRD & CO.	18 933	8 136	8 395	1 111	1 037	50	28 365	9 297	.3278
60	CHAS. H. MOBERLY	1 344	578	1 499	198	2	–	2 845	776	.2728
61	MULLEN COM. CO.	18 806	8 081	38 784	5 131	2 082	101	59 672	13 313	.2231
62	MURRAY & MCDOWELL	21 349	9 174	53 334	7 056	26 891	1 304	101 574	17 534	.1726
63	MUTUAL LIVESTOCK COM. CO.	36 768	15 799	80 027	10 588	6 249	303	123 044	26 690	.2169
64	NALLEY COM. CO.	6 888	2 960	14 820	1 961	1 109	54	22 817	4 975	.2180
65	JAS. F. NASH	1 342	577	8 751	1 158	587	28	10 680	1 763	.1651
66	NATIONAL LIVESTOCK COM. CO.	141 218	60 681	129 004	17 067	105 764	5 130	375 986	82 678	.2204
67	E. F. WOELFER & CO.	5 524	2 374	3 742	495	–	–	9 266	2 869	.3096
68	HAENER, NIXON COM. CO.	2 694	1 158	10 812	1 430	273	13	13 779	2 601	.1888
69	NORTHWESTERN L. S. COM. CO.	20 655	8 875	51 034	6 752	5 726	278	77 415	15 905	.2055
70	SILAS PALMER & SONS	51 037	21 931	45 980	6 083	3 828	186	100 845	28 200	.2796
71	WOOD BROTHERS	66 384	28 525	71 538	9 464	142 503	6 911	280 425	44 900	.1601
72	JOHN PATTERSON & SON	4 442	1 909	963	127	45	2	5 450	2 038	.3739
73	PETERSON, TURNBULL & CO.	25 449	10 935	48 534	6 421	6 301	306	80 284	17 662	.2200
74	PRITCHARD COM. CO.	4 862	2 089	6 234	825	89	4	11 185	2 918	.2609
75	QUINN COM. CO.	38 604	16 588	16 036	2 122	2 930	142	57 570	18 852	.3275
76	GLENN K. WOOD & CO.	658	283	7 306	967	209	10	8 173	1 260	.1542
77	RICE BROTHERS	74 220	31 892	74 638	9 875	16 490	800	165 348	42 567	.2574
78	ALEX RINDERLE & CO.	13 514	5 807	55 012	7 278	16 362	794	84 888	13 879	.1635
79	ROACH L. S. COM. CO.	15 231	6 545	5 118	677	970	47	21 319	7 269	.3410
80	CHAS. O. ROBINSON & CO.	36 342	15 616	12 884	1 705	14 021	680	63 247	18 001	.2846
81	ROSENBAUM BROTHERS & CO.	49 487	21 265	44 727	5 917	59 563	2 889	153 777	30 071	.1955
82	SARSFIELD & SCHROCK COM. CO.	5 988	2 573	78 040	10 325	852	41	84 880	12 939	.1524
83	YANCEY, SINNARD & ROBERTS	32 162	13 820	49 372	6 532	19 063	925	100 597	21 277	.2115
84	GEORGE M. BROWNSON & CO.	2 066	886	17 200	2 276	348	17	19 614	3 181	.1622
85	SCHROEDER L. S. COM. CO.	13 132	5 643	43 221	5 718	1 495	73	57 848	11 434	.1977
86	SHELDON COM. CO.	2 330	1 001	10 591	1 401	358	17	13 279	2 419	.1822
87	SHERWOOD & SON	9 396	4 037	30 059	3 977	2 295	111	41 750	8 125	.1946
88	W. E. YOUNG & CO.	581	250	1 266	167	51	2	1 898	419	.2208
89	SINCLAIR COM. CO.	495	213	253	33	8	–	756	246	.3254
90	W. R. SMITH & SONS	15	6	–	–	273 314	13 256	273 329	13 262	.2485
91	L. SPENCER & CO.	1 510	649	23 168	3 065	1 923	93	26 601	3 807	.1431
92	STAFFORD BROTHERS	33 685	14 474	56 246	7 441	8 560	415	90 491	22 330	.2267
93	STANDARD L. S. COM. CO.	23 089	9 921	85 572	11 321	19 958	968	128 619	22 210	.1727
94	STARRETT L. S. COM. CO.	10 146	4 360	7 157	947	944	46	18 247	5 353	.2934
95	STEWARD & MCILLHANY	3 094	1 329	2 167	287	–	–	5 261	1 616	.3072
96	ST. JOHN, COMPTON, DUNBAR CO.	27 143	11 663	44 653	5 908	7 676	372	79 472	17 943	.2258
97	STOCKMENS L. S. COM. CO.	39 467	16 959	95 077	12 579	16 681	809	151 225	30 347	.2007
98	C. H. ACKER & CO.	519	223	505	67	–	–	1 024	290	.2232
101	WM. DANIEL	2 748	1 181	728	96	–	–	3 476	1 277	.3674
102	WILL C. WOOD	565	243	9 299	1 230	252	12	10 116	1 485	.1468
103	JOHN A. HAVEY	24	10	65	9	67 201	3 259	67 290	3 278	.0487
104	INGWERSEN, MOSIER & INGWERSEN	18 357	7 888	14 756	1 952	1 291	63	34 404	9 903	.2878
111	A. P. SCHMAL	3 433	1 475	2 898	383	1 956	95	8 287	1 953	.2357
	ALL FIRMS	2 502 596	1 075 366	3 883 537	513 792	2 579 048	125 084	8 965 181	1 714 242	.1912

SECRETARY'S REASONABLE COST
Cattle & Calves - $ .4297
Hogs..... - .1323
Sheep..... - .0485

STATEMENT SHOWING THE APPLICATION OF THE SECRETARY'S REASONABLE COST PER HEAD
(As shown on page 110 of Secretary's order dated January 8, 1934)
TO THE VOLUME OF BUSINESS HANDLED DURING THE YEAR 1933

SCHEDULE NO. 8

FIRM NO.	NAME OF FIRM	CATTLE & CALVES		HOGS		SHEEP		ALL SPECIES		
		HEAD	SECY. COST	HEAD	SECY. COST	HEAD	SECY. COST	HEAD	SECY. COST	SECY. COST PER HEAD
1	STRADER BROTHERS	–	–	–	–	–	–	–	–	–
2	ADAMS, CORRICK & HATCH	14 005	6 018	50 031	6 619	4 870	236	68 906	12 873	.1868
3	ADLER SONS & CO.	4 955	2 129	8 535	1 129	736	36	14 226	3 294	.2315
4	ALEXANDER CONOVER & CO.	123 636	53 126	82 280	10 886	78 187	3 792	284 103	67 804	.2387
5	LOUIS ARMBRECHT COM. CO.	1 169	502	1 501	199	415	20	3 085	721	.2337
6	BAKER, HEYNE & CO.	36 160	15 538	66 728	8 828	9 876	479	112 764	24 845	.2203
7	SULLIVAN COM. CO.	–	–	–	–	–	–	–	–	–
8	BARTON, LOONEY & CO.	13 428	5 770	8 303	1 098	1 252	61	22 983	6 929	.3015
9	BENTON & CO.	4 951	2 127	21 864	2 893	1 800	87	28 615	5 107	.1785
10	BOWLES L. S. COM. CO.	–	–	–	–	–	–	–	–	–
11	SWANSON, GILMORE & CASTENHOLZ	70 383	30 244	105 757	13 991	7 552	366	183 692	44 601	.2428
12	ABE BURNETT & CO.	–	–	–	–	–	–	–	–	–
13	BYERS BROTHERS & CO.	–	–	–	–	–	–	–	–	–
14	CALLAHAN L. S. COM. CO.	73	31	6 990	925	27	1	7 090	957	.1350
15	HARRY L. CARPENTER	820	352	17 716	2 344	793	38	19 329	2 734	.1414
16	CENTRAL L. S. COM. CO.	19 075	8 197	34 230	4 529	2 786	135	56 091	12 861	.2293
17	CLARK BOWLES & CO.	701	301	3 093	409	15	1	3 809	711	.0816
18	JOHN CLAY & CO.	149 039	64 042	118 441	15 670	606 078	29 394	873 558	109 106	.1249
19	COCHRAN, HENNEBERRY & WALLACE	32 002	13 751	110 014	14 555	8 185	397	150 201	28 703	.1911
20	CONKLIN BROS. COM. CO.	58 073	24 954	93 029	12 308	3 404	165	154 506	37 427	.2422
21	H. D. COPELAND & CO.	51 226	22 012	88 013	11 644	25 570	1 240	164 809	34 896	.2117
22	SWINEY BROTHERS	17 759	7 631	112 186	14 842	4 066	197	134 011	22 670	.1692
23	DOLAN, LUDEMAN & CO.	46 604	20 026	67 540	8 936	4 948	240	119 092	29 202	.2452
24	DROVERS COM. CO.	51 627	22 184	56 279	7 710	6 759	328	116 665	30 222	.2590
26	H. L. DUNNING & CO.	21 335	9 168	34 259	4 532	1 622	79	57 216	13 779	.2408
27	H. O. THOMPSON & CO.	7 037	3 024	16 385	2 168	996	48	24 418	5 240	.2146
28	ETTLINGER L. S. COM. CO.	8 136	3 496	20 815	2 754	792	38	29 743	6 288	.2114
29	EVANS, SNIDER, BUEL COM. CO.	14 122	6 068	59 223	7 835	38 149	1 850	111 494	15 753	.1413
30	FILLER, WILSON & MCCLELLAND	43 079	18 511	23 407	3 097	4 049	196	70 535	21 804	.3091
31	FRED FREEMAN	1 825	784	–	–	–	–	1 825	784	.4296
32	I. O. FRY	1 425	612	1 204	159	178	9	2 807	780	.2779
33	WM. GENTLEMAN & SONS	63 045	27 091	80 122	10 600	6 620	321	149 787	38 012	.2538
34	GILLORLY & CO.	34 930	15 009	128 162	16 955	7 294	354	170 386	32 318	.1897
35	GREENWOOD COM. CO.	4 636	1 992	29 103	3 850	1 089	53	34 828	5 895	.1693
36	HAIME & RENEKER	10 153	4 363	11 563	1 530	2 448	119	24 164	6 012	.2488
37	CHAS. E. HARDING CO.	20 294	8 720	63 466	8 397	2 827	137	86 587	17 254	.1993
38	UNITED COM. CO.	37 309	16 032	78 967	10 447	4 078	198	120 354	26 677	.2217
39	GEO. W. VON BERNER	474	204	11 473	1 518	90	4	12 037	1 726	.1434
40	HEFNER COM. CO. INC.	28 713	12 338	86 306	11 418	4 505	218	119 524	23 974	.2006
41	GEO. F. HOGAN	–	–	–	–	–	–	–	–	–
42	HOLLOWAY & OGREN	13 446	5 778	87 987	11 641	5 129	249	106 562	17 668	.1658
43	IOWA LIVESTOCK COM. CO.	39 369	16 917	55 178	7 300	3 121	151	97 668	24 368	.2495
44	DAVID C. WAGNER	1 170	503	15 093	1 997	292	14	16 555	2 514	.1519
45	WALTERS & DUNBAR	84 345	36 243	104 132	13 776	30 586	1 483	219 063	51 502	.2351
46	WALTER BROTHERS	3 110	1 336	6 369	843	257	12	9 736	2 191	.2250
47	KNETTLE BROTHERS	1 229	528	19 183	2 538	12	1	20 424	3 067	.1502

47	KNETTLE BROTHERS	1 229	528	19 183	2 538	12	1	20 424	3 067	.1502	
48	KUENSTER L. S. COM. CO.	75 623	32 495	143 366	18 967	12 998	630	231 987	52 092	.2245	
49	JOHN A. WATERS L. S. COM. CO.	–	–	–	–	–	–	–	–	–	
50	LAMBRIGHT, KEYS & HUSTON	2 149	923	12 959	1 714	815	40	15 923	2 677	.1681	
51	LAWLER BROTHERS & CO.	162 043	69 630	48 351	6 397	28 852	1 399	239 246	77 426	.3236	
52	L. B. WERDEN	2 488	1 069	2 930	388	34	2	5 452	1 459	.2676	
54	W. W. WILSON & CO.	29 487	12 671	69 803	9 235	4 363	212	103 653	22 118	.2134	
55	MARTIN BROS. & CO.	25 084	10 779	61 687	8 161	7 570	367	94 341	19 307	.2047	
56	MCCAUSLAND, HOAG & VAUGHAN	57 629	24 763	24 415	3 230	15 650	759	97 694	28 752	.2943	
57	MERRION & WILKINS	–	–	–	–	518 290	25 137	518 290	25 137	.0485	
58	MILLER, WHITE & WOODS	46 568	20 010	77 163	10 209	9 662	469	133 393	30 688	.2301	
59	MINTEER, HUBBIRD & CO.	13 105	5 631	7 255	960	327	16	20 687	6 607	.3194	
60	CHAS. H. MOBERLY	1 515	651	1 937	256	135	7	3 587	914	.2548	
61	MULLEN COM. CO.	11 732	5 041	37 135	4 913	1 335	65	50 202	10 019	.1996	
62	MURRAY & MCDOWELL	15 968	6 861	39 151	5 180	2 186	106	57 305	12 147	.2120	
63	MUTUAL LIVESTOCK COM. CO.	31 810	13 669	88 988	11 773	5 713	277	126 511	25 719	.2033	
64	NALLEY COM. CO.	5 540	2 381	12 958	1 714	309	15	18 807	4 110	.2185	
65	JAS. F. NASH	–	–	–	–	–	–	–	–	–	
66	NATIONAL LIVESTOCK COM. CO.	127 336	54 716	133 590	17 674	95 924	4 652	356 850	77 042	.2159	
67	E. F. WOELFER & CO.	3 743	1 608	2 180	288	–	–	5 923	1 896	.3201	
68	HAFNER, NIXON COM. CO.	–	–	–	–	–	–	–	–	–	
69	NORTHWESTERN L. S. COM. CO.	28 734	12 347	50 355	6 662	8 923	433	88 012	19 442	.2209	
70	SILAS PALMER & SONS	46 433	19 952	44 040	5 826	3 909	190	94 382	25 968	.2751	
71	WOOD BROTHERS	58 723	25 233	57 222	7 570	110 654	5 367	226 599	38 170	.1684	
72	JOHN PATTERSON & SON	846	364	1 133	150	17	1	1 996	515	.2580	
73	PETERSON, TURNBULL & CO.	26 514	11 393	58 049	7 680	5 289	257	89 852	19 330	.2151	
74	PRITCHARD COM. CO.	–	–	–	–	–	–	–	–	–	
75	QUINN COM. CO.	26 581	11 422	10 969	1 451	3 018	146	40 568	13 019	.3209	
76	GLEN K. WOOD & CO.	462	199	5 767	763	284	14	6 513	976	.1499	
77	RICE BROTHERS	70 839	30 440	104 547	13 832	14 224	690	189 610	44 962	.2371	
78	ALEX RINDERLE & CO.	13 892	5 969	61 279	8 107	11 038	535	86 209	14 611	.1695	
79	ROACH L. S. COM. CO.	14 401	6 188	3 594	475	84	4	18 079	6 667	.3688	
80	CHAS. O. ROBINSON & CO.	24 731	10 627	6 439	852	5 299	257	36 469	11 736	.3218	
81	ROSENBAUM BROTHERS & CO.	37 547	16 134	32 563	4 308	42 180	2 046	112 290	22 488	.2003	
82	SARSFIELD & SCHROCK COM. CO.	4 888	2 100	35 019	4 633	1 765	86	41 672	6 819	.1636	
83	YANCEY, SINNARD & ROBERTS	29 301	12 591	56 952	7 535	5 489	266	91 742	20 392	.2223	
84	GEORGE M. BROWNSON & CO.	2 109	906	22 809	3 018	673	33	25 591	3 957	.1546	
85	SCHROEDER L. S. COM. CO.	12 148	5 220	61 879	8 187	1 636	79	75 663	13 486	.1782	
86	SHELDON COM. CO.	1 728	743	6 633	878	212	10	8 573	1 631	.1902	
87	SHERWOOD & SON	10 547	4 532	38 761	5 128	2 755	134	52 063	9 794	.1881	
88	W. E. YOUNG & CO.	444	191	920	122	43	2	1 407	315	.2239	
89	SINCLAIR COM. CO.	–	–	–	–	–	–	–	–	–	
90	W. R. SMITH & SONS	–	–	–	–	194 451	9 431	194 451	9 431	.0485	
91	L. SPENCER & CO.	1 903	818	28 921	3 826	2 116	103	32 940	4 747	.1441	
92	STAFFORD BROTHERS	30 597	13 148	73 746	9 757	7 737	375	112 080	23 280	.2077	
93	STANDARD L. S. COM. CO.	21 949	9 431	97 247	12 866	19 364	939	138 560	23 236	.1677	
94	STARRETT L. S. COM. CO.	7 874	3 383	9 713	1 385	223	11	17 810	4 679	.2627	
95	STEWARD & MCILLHANY	1 523	654	913	121	170	8	2 606	783	.3005	
96	ST. JOHN, COMPTON, DUNBAR CO.	18 222	7 830	21 491	2 843	1 538	75	41 251	10 748	.2606	
97	STOCKMENS L. S. COM. CO.	45 598	19 593	91 550	12 112	11 032	535	148 180	32 240	.2176	
98	C. H. ACKER & CO.	267	115	295	39	–	–	562	154	.2740	
101	WM. DANIEL	3 598	1 546	265	35	–	–	3 863	1 581	.4093	
102	WILL C. WOOD	–	–	–	–	–	–	–	–	–	
103	JOHN HAVEY	–	–	–	–	–	–	–	–	–	
104	INGWERSEN, MOSIER & INGWERSEN	46 870	20 140	53 036	7 017	2 883	140	102 789	27 297	.2656	
105	BROTT L. S. COM. CO.	2 167	931	29 252	3 870	301	15	31 720	4 816	.1518	
107	C. W. HART	914	393	9 704	1 284	499	24	11 117	1 701	.1530	
108	W. O. JENNINGS & CO.	9 043	4 101	8 465	1 120	543	26	18 551	5 247	.2828	
110	STEPHENSON COM. CO.	1 494	642	14 839	1 963	780	38	17 113	2 643	.1544	
111	A. P. SCHMAL	3 627	1 559	1 994	264	2 031	99	7 652	1 922	.2512	
112	ROBERT E. JOHNSON	944	406	6 201	820	522	25	7 667	1 251	.1632	
	ALL FIRMS	[illegible]	[illegible]	3 657 357	[illegible]	2 047 298	99 294	8 259 301	1 621 413	.1963	

SECRETARY'S REASONABLE COST
Cattle & calves - $ .4927
Hogs..... - .1323
Sheep..... - .0485

STATEMENT SHOWING THE APPLICATION OF THE SECRETARY'S REASONABLE COST PER HEAD
(As shown on page 110 of Secretary's order dated January 8, 1934)
TO THE VOLUME OF BUSINESS HANDLED DURING THE FIRST FOUR MONTHS OF 1934

SCHEDULE NO, 8

FIRM NO.	NAME OF FIRM	CATTLE & CALVES		HOGS		SHEEP		ALL SPECIES		
		HEAD	SECY. COST	HEAD	SECY. COST	HEAD	SECY. COST	HEAD	SECY. COST	SECY. COST PER HEAD
2	ADAMS, CORRICK & HATCH	4 914	2 112	14 724	1 948	1 260	61	20 898	4 121	.1972
3	ADLER SONS & CO.	–	–	–	–	–	–	–	–	–
4	ALEXANDER CONOVER & CO.	44 393	19 076	27 500	3 638	79 603	3 861	151 496	26 575	.1754
5	LOUIS ARMBRECHT COM. CO.	407	175	705	93	–	–	1 112	268	.2410
6	BAKER, HEYNE & CO.	6 953	2 988	22 884	3 028	300	15	30 137	6 031	.2001
8	BARTON, LOONEY & CO.	5 339	2 294	3 032	401	89	4	8 460	2 699	.3190
9	BENTON & CO.	3 641	1 565	16 169	2 139	169	8	19 979	3 712	.1858
11	SWANSON, GILMORE & CASTENHOLZ	19 364	8 321	32 579	4 310	1 578	77	53 521	12 708	.2374
12	ABE BURNETT & CO.	2 228	957	3 141	416	1 297	63	6 666	1 436	.2154
14	CALLAHAN L. S. COM. CO.	–	–	2 286	302	5	–	2 291	302	.1318
15	HARRY L. CARPENTER	288	124	6 216	822	279	14	6 783	960	.1415
16	CENTRAL L. S. COM. CO.	6 510	2 797	9 186	1 215	400	19	16 096	4 031	.2504
18	JOHN CLAY & CO.	49 281	21 477	26 968	3 568	205 225	9 953	282 174	34 998	.1240
19	COCHRAN, HENNEBERRY & WALLACE	10 817	4 648	28 073	3 714	944	46	39 834	8 408	.2111
20	CONKLIN BROS. COM. CO.	16 309	7 008	32 451	4 293	530	26	49 290	11 327	.2298
22	SWINEY BROTHERS	6 041	2 596	36 643	5 113	488	24	45 172	7 733	.1712
23	DOLAN, LUDEMAN & CO.	–	–	–	–	–	–	–	–	–
24	DROVERS COM. CO.	27 991	12 028	20 012	2 648	896	43	48 899	14 719	.3010
26	H. L. DUNNING & CO.	5 434	2 335	7 944	1 051	162	8	13 540	3 394	.2507
27	H. O. THOMPSON & CO.	1 484	638	4 343	575	34	2	5 861	1 215	.2073
28	ETTLINGER L. S. COM. CO.	1 925	827	7 100	939	131	6	9 156	1 772	.1935
29	EVANS, SNIDER, BUEL COM. CO.	5 252	2 257	17 207	2 277	3 420	166	25 879	4 700	.1816
32	I. O. FRY	486	209	411	54	61	3	958	266	.2777
33	J.H. GENTLEMAN & SONS	20 435	8 781	22 846	3 023	322	16	43 603	11 820	.2711
34	GILLOGLY & CO.	12 899	5 543	34 247	4 531	317	15	47 463	10 089	.2126
35	GREENWOOD COM. CO.	1 574	676	11 695	1 547	37	2	13 306	2 225	.1672
38	UNITED COM. CO.	11 257	4 837	23 826	3 152	1 231	60	36 314	8 049	.2216
40	HEFNER COM. CO. INC.	12 636	5 430	27 920	3 694	634	31	41 190	9 155	.2223
43	IOWA LIVESTOCK COM. CO.	17 262	7 416	24 195	3 200	1 366	66	42 823	10 682	.2495
44	DAVID C. WAGNER	130	56	2 717	369	9	–	2 856	416	.1457
45	WALTERS & DUNBAR	23 920	10 278	31 190	4 127	4 177	203	59 287	14 608	.2464
46	WALTER BROTHERS	1 153	495	928	123	253	12	2 334	630	.2699
48	KUENSTER L. S. COM. CO.	34 559	14 850	51 346	6 793	1 582	77	87 487	21 720	.2483
50	LAMBRIGHT, KEYS & HUSTON	918	394	3 991	528	6	–	4 915	922	.1876
51	LAWLER BROTHERS & CO.	50 007	21 488	14 915	1 973	3 059	148	67 981	23 609	.3473
52	L. B. WERDEN	908	390	978	129	–	–	1 886	519	.2752
54	W. W. WILSON & CO.	11 185	4 806	23 025	3 047	1 034	50	35 244	7 903	.2242
55	MARTIN BROS. & CO.	2 524	1 085	5 667	750	42	2	8 233	1 837	.2231
56	MCCAUSLAND, HOAG & VAUGHAN	23 365	10 040	5 938	786	4 321	210	33 624	11 036	.3282
57	MERRION & WILKINS	–	–	–	–	120 576	5 848	120 576	5 848	.0485
58	MILLER, WHITE & WOODS	17 507	7 523	25 786	3 411	2 685	130	45 978	11 064	.2406
59	MINTEER, HUBBIRD & CO.	5 261	2 261	2 913	385	131	6	8 305	2 652	.3193
60	CHAS. H. MOBERLY	302	130	322	43	–	–	624	173	.2772
61	MULLEN COM. CO.	3 178	1 366	11 438	1 513	38	2	14 654	2 881	.1966
62	MURRY & MCDOWELL	3 878	1 666	11 653	1 542	448	22	15 979	3 230	.2021
63	MUTUAL LIVESTOCK COM. CO.	6 078	2 612	16 556	2 190	988	48	23 622	4 850	.2053
		1 640	705	3 767	498	21	1	5 428	1 204	.2219

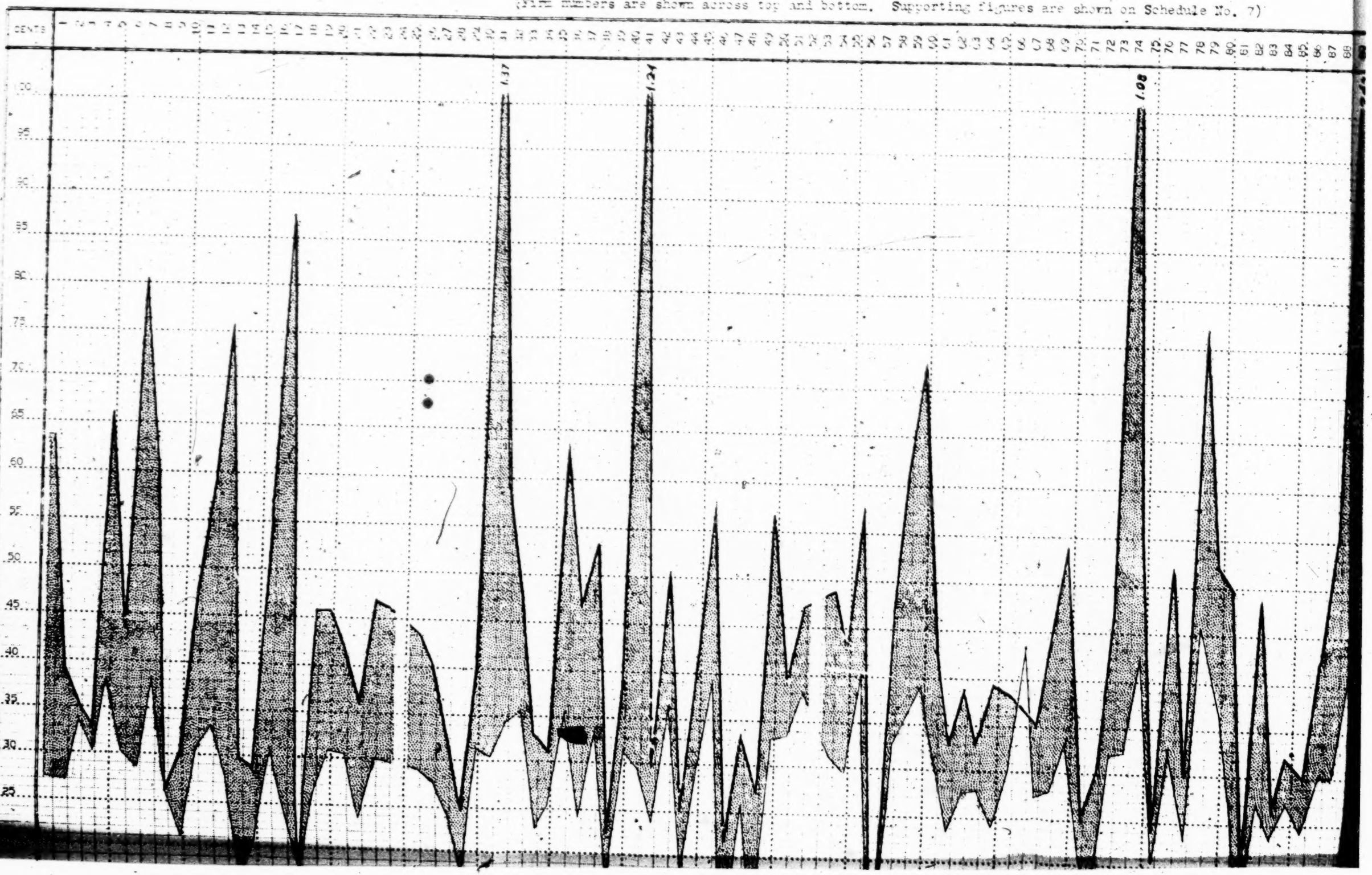
33	WM. GENTLEMAN & SONS	20 435	8 781	22 846	3 023	1 322	16	43 603	11 804	.2711	
34	GILLOGLY & CO.	12 899	5 543	34 247	4 531	317	15	47 463	10 089	.2126	
35	GREENWOOD COM. CO.	1 574	676	11 695	1 547	37	2	13 306	2 225	.1672	
38	UNITED COM. CO.	11 257	4 837	23 826	3 152	1 231	60	36 314	8 049	.2216	
40	HEFNER COM. CO. INC.	12 636	5 430	27 920	3 694	634	31	41 190	9 155	.2223	
43	IOWA LIVESTOCK COM. CO.	17 262	7 416	24 195	3 200	1 366	66	42 823	10 682	.2495	
44	DAVID C. WAGNER	130	56	2 717	369	9	-	2 856	416	.1457	
45	WALTERS & DUNBAR	23 920	10 278	31 190	4 127	4 177	203	59 287	14 608	.2464	
46	WALTER BROTHERS	1 153	495	928	123	253	12	2 334	630	.2699	
48	KUENSTER L. S. COM. CO.	34 559	14 850	51 346	6 793	1 582	77	87 487	21 720	.2483	
50	LAMBRIGHT, KEYS & HUSTON	918	394	3 991	528	6	-	4 915	922	.1876	
51	LAWLER BROTHERS & CO.	50 007	21 488	14 915	1 973	3 059	148	67 981	23 609	.3473	
52	L. B. WERDEN	908	390	978	129	-	-	1 886	519	.2752	
54	W. W. WILSON & CO.	11 185	4 806	23 025	3 047	1 034	50	35 244	7 903	.2242	
55	MARTIN BROS. & CO.	2 524	1 085	5 667	750	42	2	8 233	1 837	.2231	
56	MCCAUSLAND, HOAG & VAUGHAN	23 365	10 040	5 938	786	4 321	210	33 624	11 036	.3282	
57	MERRION & WILKINS	-	-	-	-	120 576	5 848	120 576	5 848	.0485	
58	MILLER, WHITE & WOODS	17 507	7 523	25 786	3 411	2 685	130	45 978	11 064	.2406	
59	MINTEER, HUBBIRD & CO.	5 261	2 261	2 913	385	131	6	8 305	2 652	.3193	
60	CHAS. H. MOBERLY	302	130	322	43	-	-	624	173	.2772	
61	MULLEN COM. CO.	3 178	1 366	11 438	1 513	38	2	14 654	2 881	.1966	
62	MURRY & MCDOWELL	3 878	1 666	11 653	1 542	448	22	15 979	3 230	.2021	
63	MUTUAL LIVESTOCK COM. CO.	6 078	2 612	16 556	2 190	988	48	23 622	4 850	.2053	
64	NALLEY COM. CO.	1 640	705	3 767	498	21	1	5 428	1 204	.2218	
65	JOS. F. NASH	404	174	2 635	349	177	9	3 216	532	.1654	
66	NATIONAL LIVESTOCK COM. CO.	41 411	17 794	43 314	5 730	17 736	860	102 461	24 384	.2380	
67	E. F. WOELFER & CO.	1 314	565	766	101	-	-	2 080	666	.3201	
68	HAFNER, NIXON COM. CO.	1 693	727	6 792	699	171	8	5 656	1 634	.1888	
69	NORTHWESTERN L. S. COM. CO.	11 048	4 747	12 815	1 695	2 964	144	26 627	6 586	.2455	
70	SILAS PALMER & SONS	16 415	7 054	12 303	1 627	230	11	28 948	8 692	.3003	
71	WOOD BROTHERS	20 582	8 844	16 337	2 161	28 671	1 391	65 590	12 396	.1890	
72	JOHN PATTERSON & SON	329	141	308	41	-	-	637	182	.2857	
73	PETERSON, TURNBULL & CO.	9 782	4 203	19 189	2 539	359	17	29 330	6 759	.2304	
75	QUINN COM. CO.	4 437	1 907	2 162	286	8	-	6 607	2 193	.3319	
76	GLEN K. WOOD & CO.	241	104	1 129	149	-	-	1 370	253	.1847	
77	RICE BROTHERS	16 515	7 096	21 249	2 811	3 219	156	40 983	10 063	.2455	
78	ALEX. RINDERLE & CO.	4 605	1 979	20 777	2 749	673	33	26 055	4 761	.1827	
79	ROACH L. S. COM. CO.	1 563	672	322	43	-	-	1 885	715	.3793	
80	CHAS. O. ROBINSON & CO.	4 620	1 985	1 218	161	687	33	6 525	2 179	.3340	
81	ROSENBAUM BROTHERS & CO.	6 854	2 945	4 388	581	6 999	339	18 241	3 865	.2119	
82	SARSFIELD, SCHROCK COM. CO.	3 196	1 373	15 178	2 008	223	11	18 597	3 392	.1824	
83	YANCEY, SINNARD & ROBERTS	7 269	3 123	16 665	2 205	1 891	92	25 825	5 420	.2099	
85	SCHROEDER L. S. COM. CO.	5 122	2 201	22 429	2 967	125	6	27 676	5 174	.1869	
86	SHELDON COM. CO.	428	184	1 665	220	3	-	2 096	404	.1927	
87	SHERWOOD & SON	4 438	1 907	16 309	2 158	1 159	56	21 906	4 121	.1881	
88	W. F. YOUNG & CO.	54	23	108	14	1	-	163	37	.2270	
90	W. R. SMITH & SONS	-	-	-	-	66 074	3 205	66 074	3 205	.0485	
92	STAFFORD BROTHERS	9 758	4 193	16 441	2 175	993	48	27 192	6 416	.2360	
93	STANDARD L. S. COM. CO.	8 190	3 519	21 854	2 891	1 515	73	31 559	6 483	.2054	
94	STARRETT L. S. COM. CO.	2 511	1 079	2 830	374	18	-	5 359	1 453	.2711	
96	ST. JOHN, COMPTON, DUNBAR CO.	5 220	2 243	6 287	832	86	4	11 593	3 079	.2656	
97	STOCKMENS L. S. COM. CO.	14 929	6 415	21 604	2 858	735	36	37 268	9 309	.2498	
102	WILL C. WOOD	282	121	3 161	418	302	15	3 745	554	.1479	
104	INGWERSEN, MOSIER & INGWERSEN	13 681	5 879	19 412	2 568	779	38	33 872	8 485	.2505	
53	CHAS. L. WILLS & CO.	-	-	159	21	-	-	159	21	.1321	
105	BROTT L. S. COM. CO.	662	284	12 275	1 624	39	2	12 976	1 910	.1472	
108	W. O. JENNINGS & CO.	1 936	2 121	3 355	444	110	5	8 401	2 570	.3059	
110	STEPHENSON COM. CO.	775	333	7 690	1 017	12	1	8 477	1 351	.1594	
106	HALPIN LIVESTOCK COM. CO.	773	332	202	27	-	-	975	359	.3682	
	ALL FIRMS	706 370	303 527	1 032 761	136 632	576 107	27 941	2 315 238	468 100	.2022	

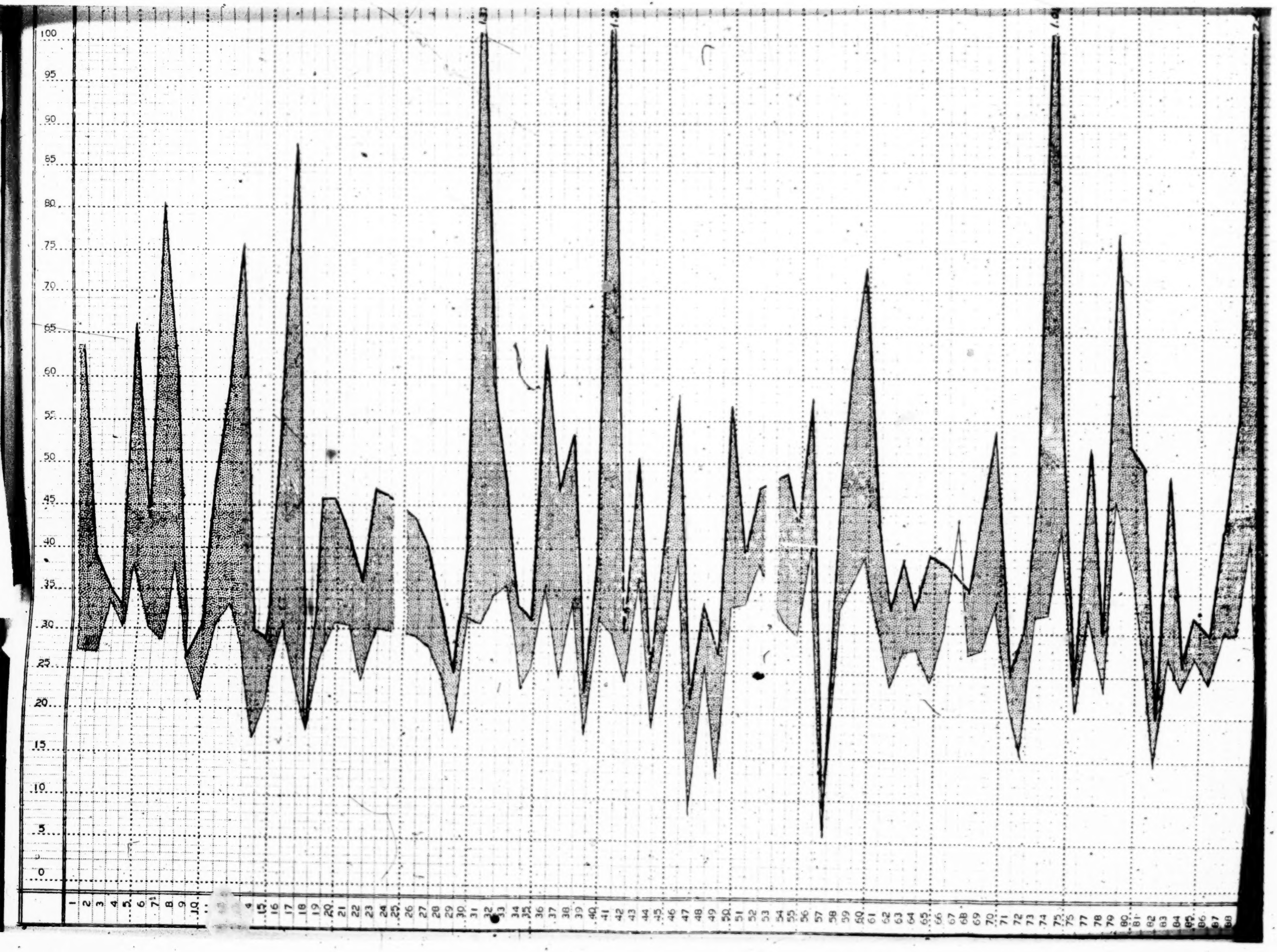
HEAVY LINE - Cost per head - inc. salary appraisal adjustment
LIGHT LINE - Secretary's commissions per head
DOTTED AREA - Loss under Secretary's rates

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,809

THE COST PER HEAD FOR THE YEAR 1930 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE COMMISSIONS PER HEAD FOR THE YEAR 1930 - UNDER THE PRESENT AND UNDER THE SECRETARY'S RATES

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)




100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0

adjustment

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

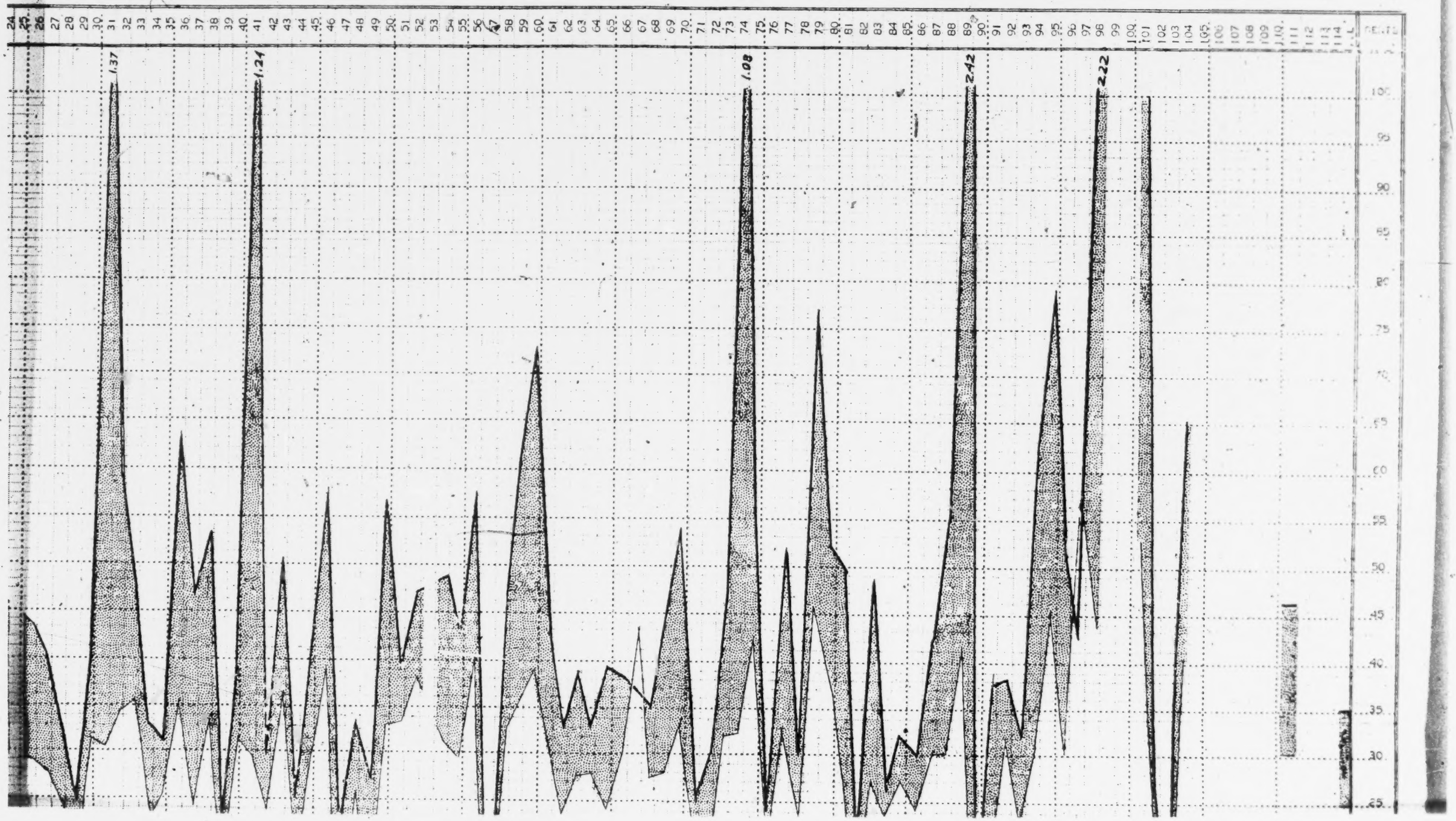
Petitioners' Exhibit No. 4
Witness, Earle D. Mudd.

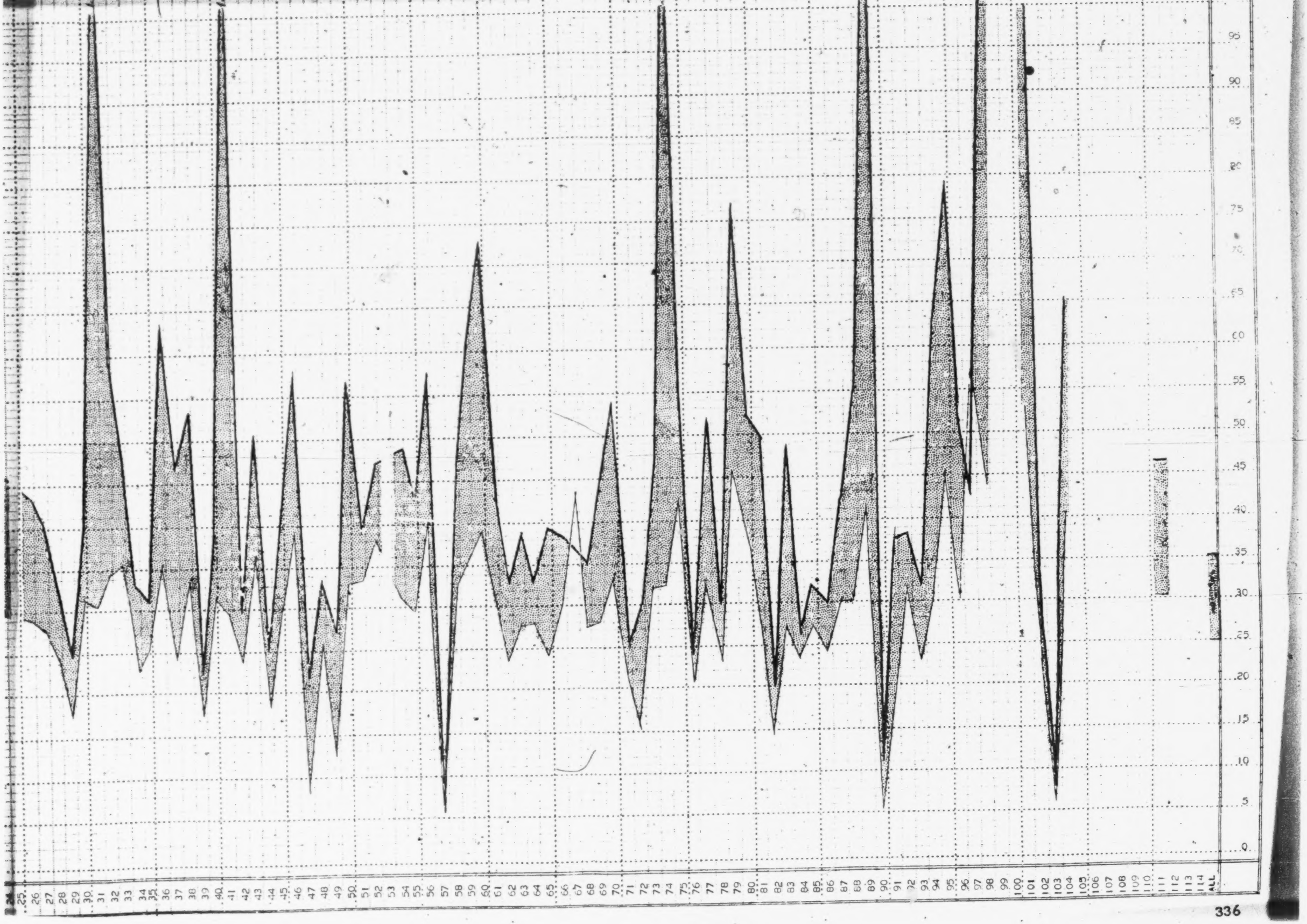
THE COST PER HEAD FOR THE YEAR 1932 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE COMMISSIONS PER HEAD FOR THE YEAR 1932 - UNDER THE PRESENT AND UNDER THE SECRETARY'S RATES

Sheet 1 of 3

SCHEDULE NO. 3

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)

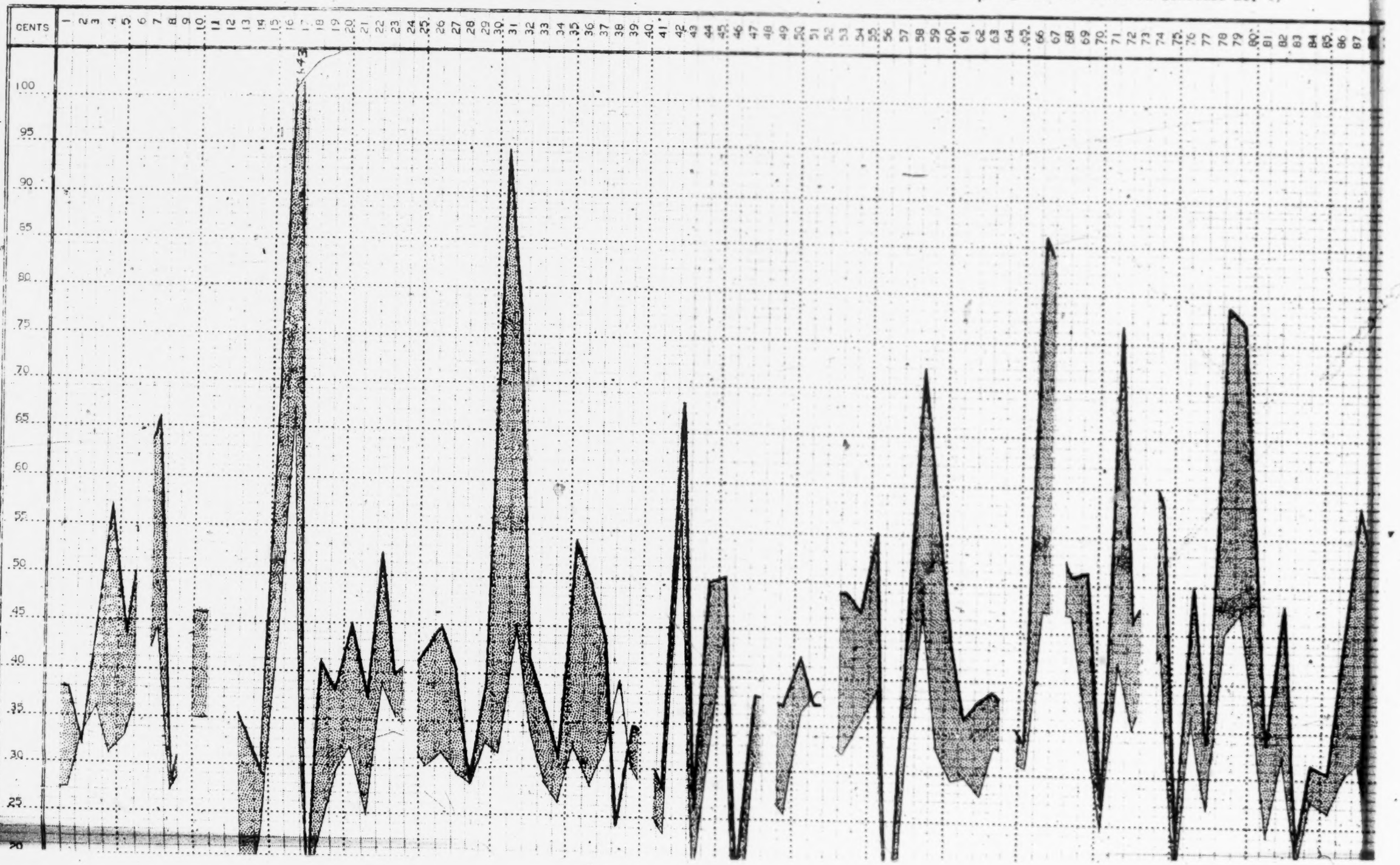



95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 ALL

HEAVY LINE - Cost per head - inc. salary appraisal adjustment
LIGHT LINE - Secretary's commissions per head
DENSE AREA - Loss under Secretary's rates

THE COST PER HEAD FOR THE YEAR 1932 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
compared with
THE COMMISSIONS PER HEAD FOR THE YEAR 1931 - UNDER THE PRESENT AND UNDER THE SECRETARY'S RATES

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)



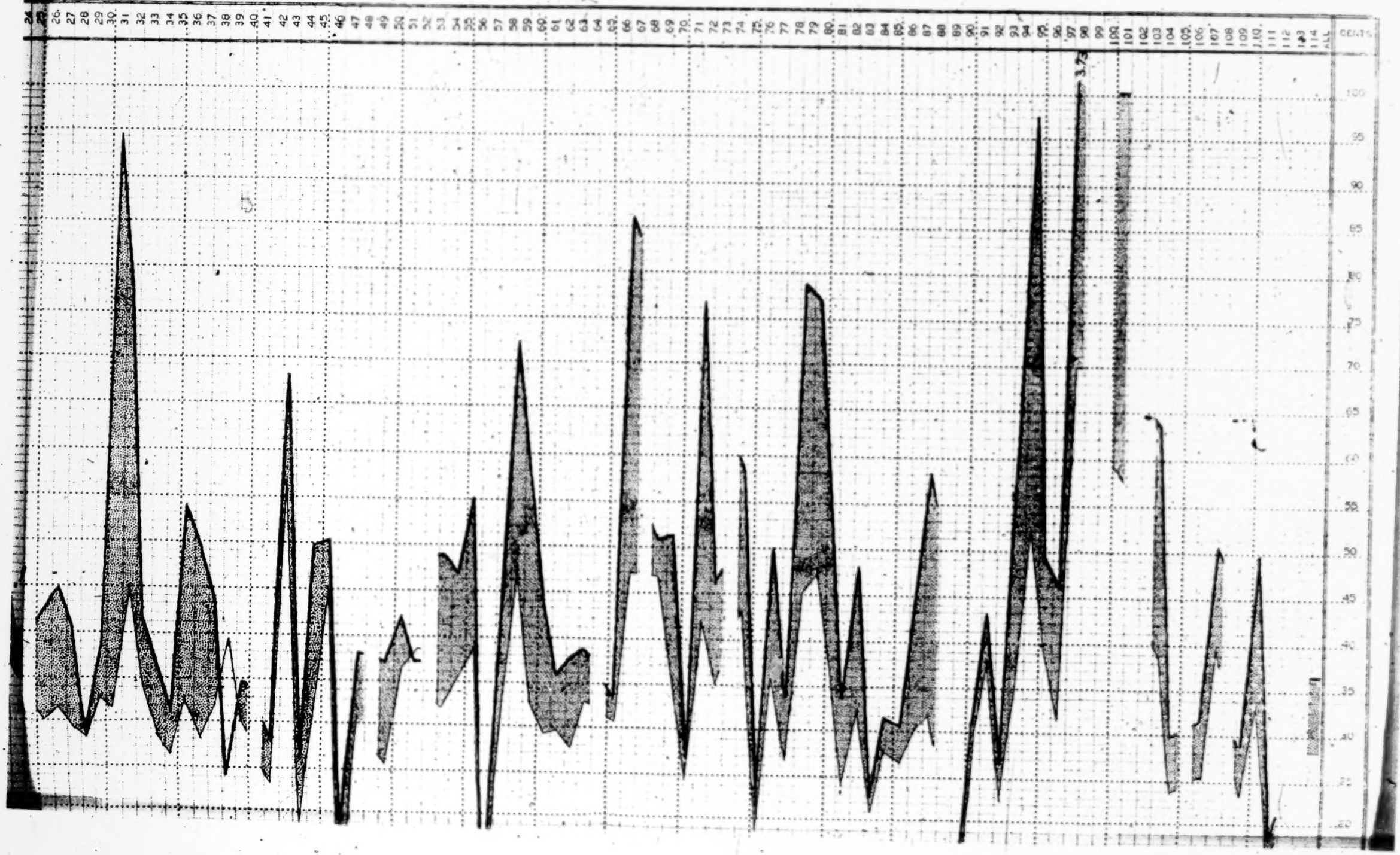
100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0

Adjustment

THE COST PER HEAD FOR THE YEAR 1933 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
compared with
THE COMMISSIONS PER HEAD FOR THE YEAR 1933 - UNDER THE PRESENT AND UNDER THE SECRETARY'S RATES

SCHEDULE NO. 3

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)

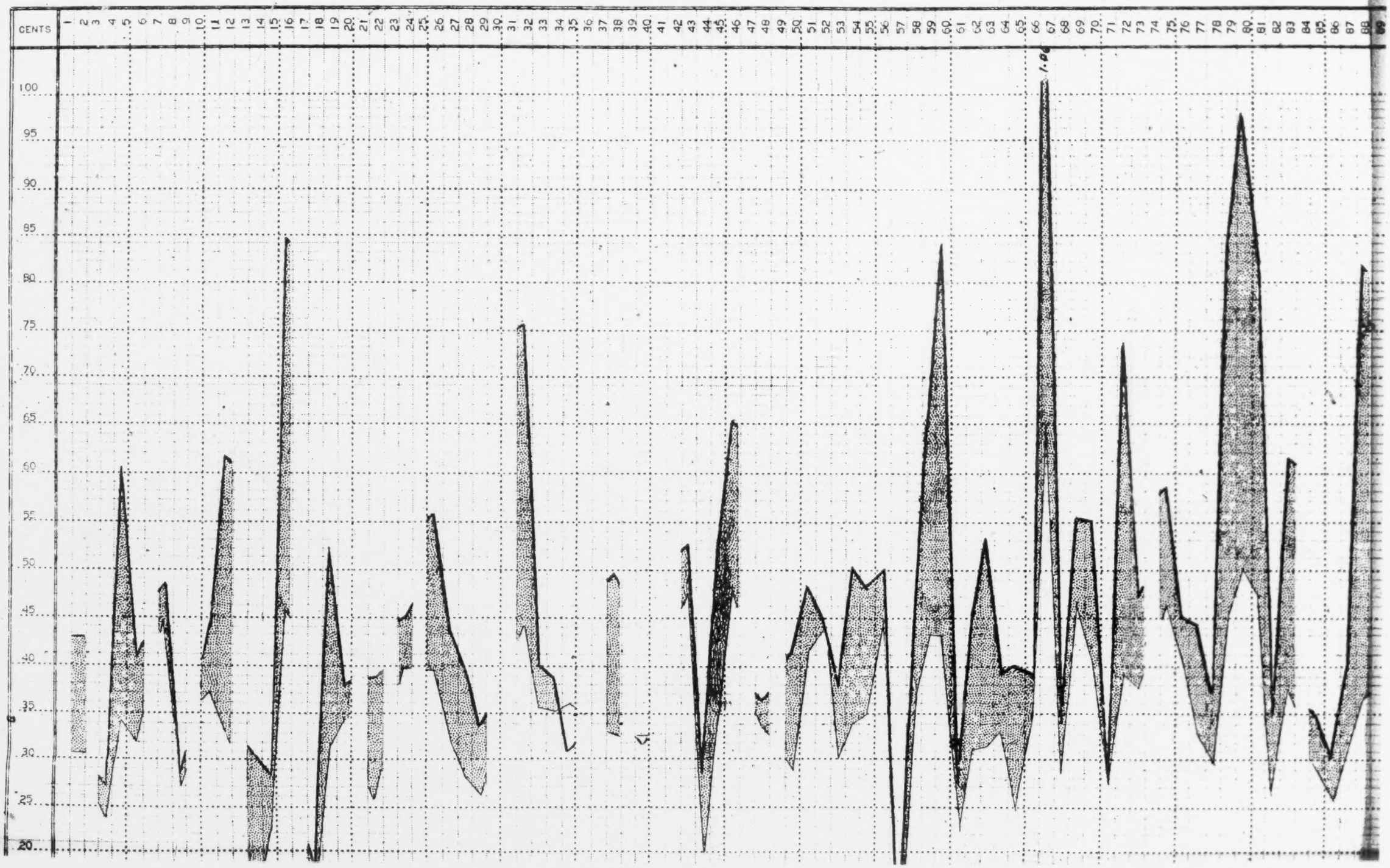


337

HEAVY LINE - Cost per head - inc. salary appraisal adjustments
LIGHT LINE - Secretary's commissions per head
DENSE AREA - Loss under Secretary's rates

THE COST PER HEAD FOR THE FIRST FOUR MONTHS OF 1934 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE COMMISSIONS PER HEAD FOR THE FIRST FOUR MONTHS OF 1934 - UNDER THE PRESENT AND UNDER THE SECRETARY'S RATES

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)



100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0

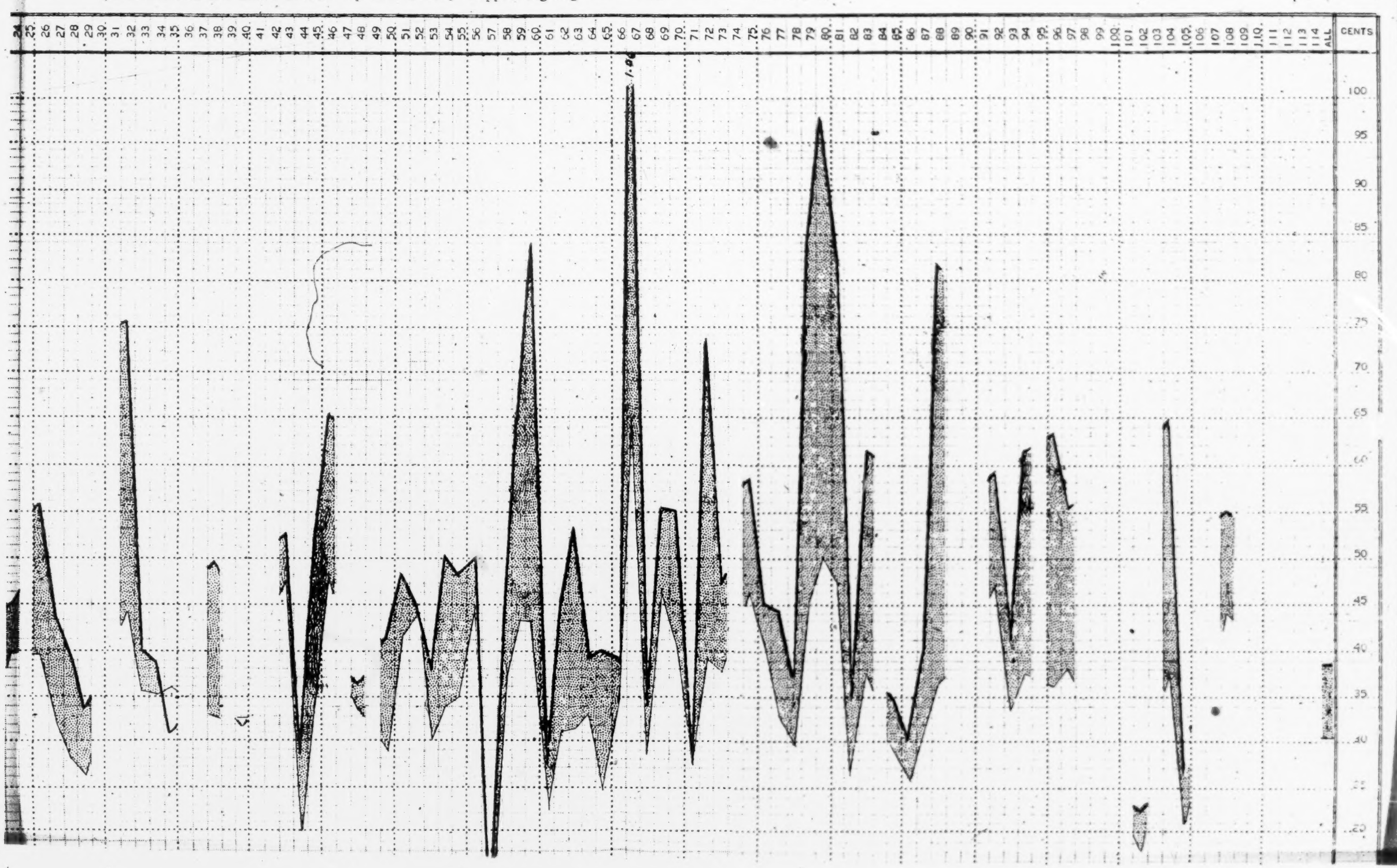
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89

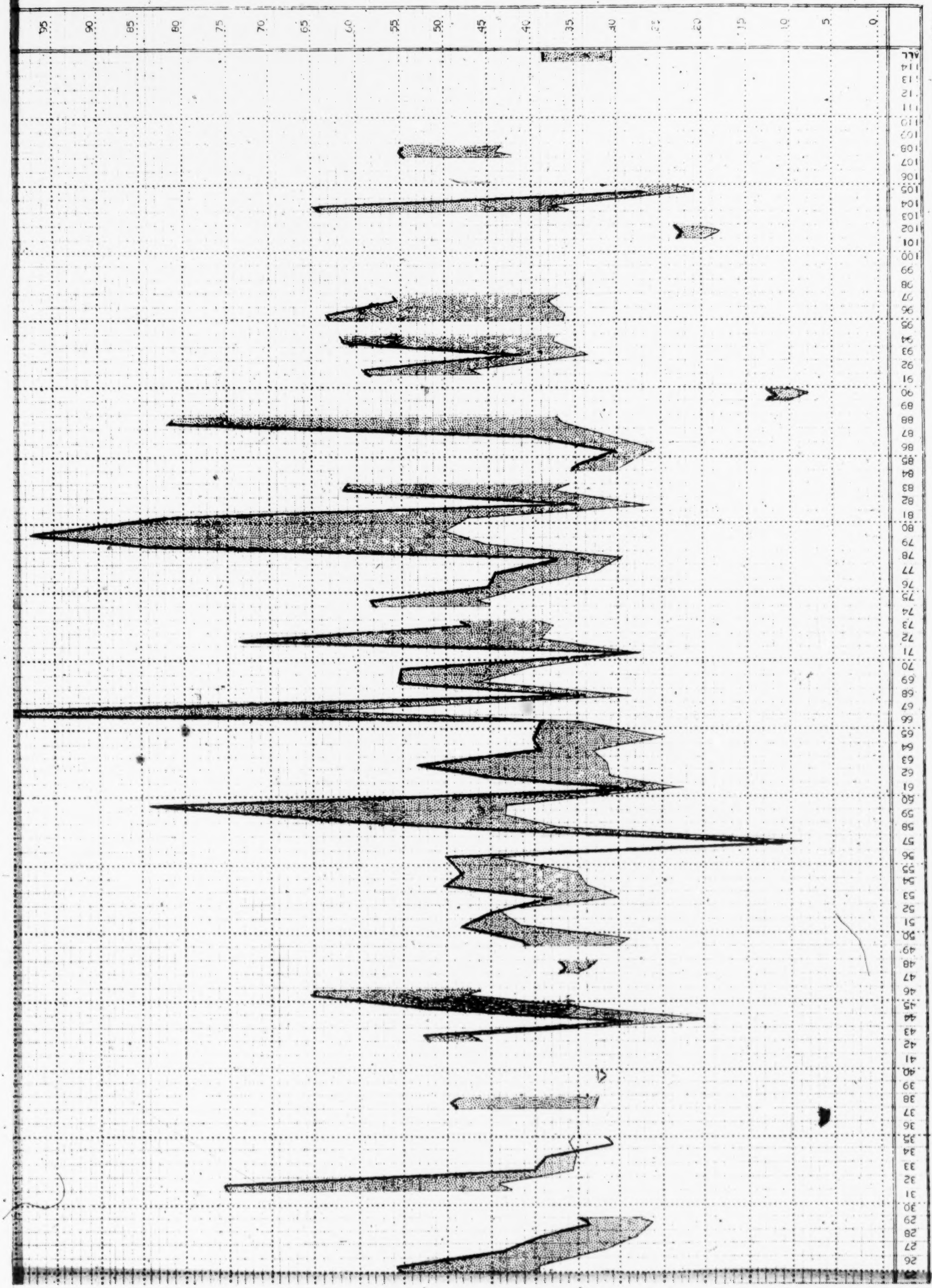
1 adjustments

THE COST PER HEAD FOR THE FIRST FOUR MONTHS OF 1934 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE COMMISSIONS PER HEAD FOR THE FIRST FOUR MONTHS OF 1934 - UNDER THE PRESENT AND UNDER THE SECRETARY'S RATES

SCHEDULE NO. 3

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)



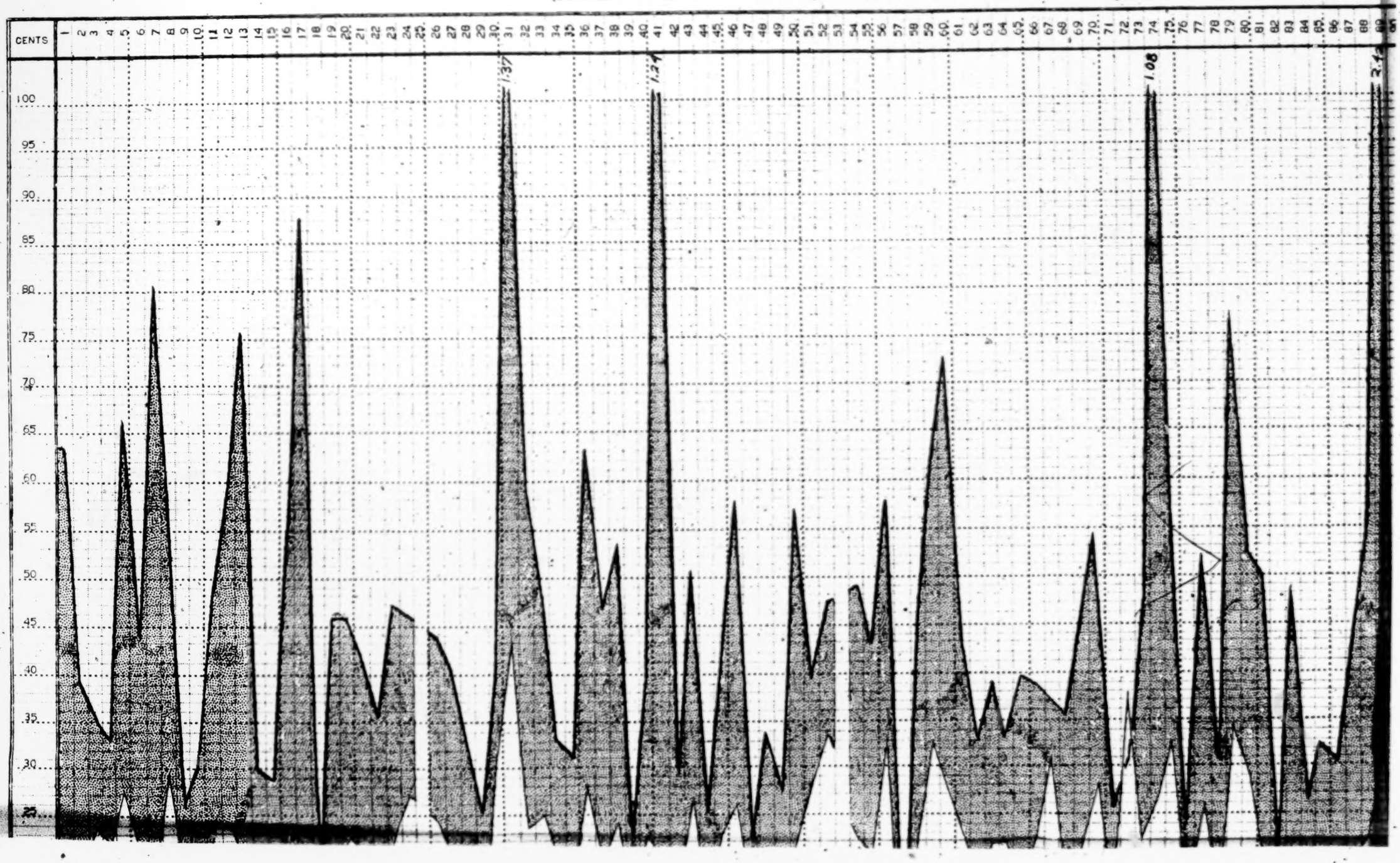


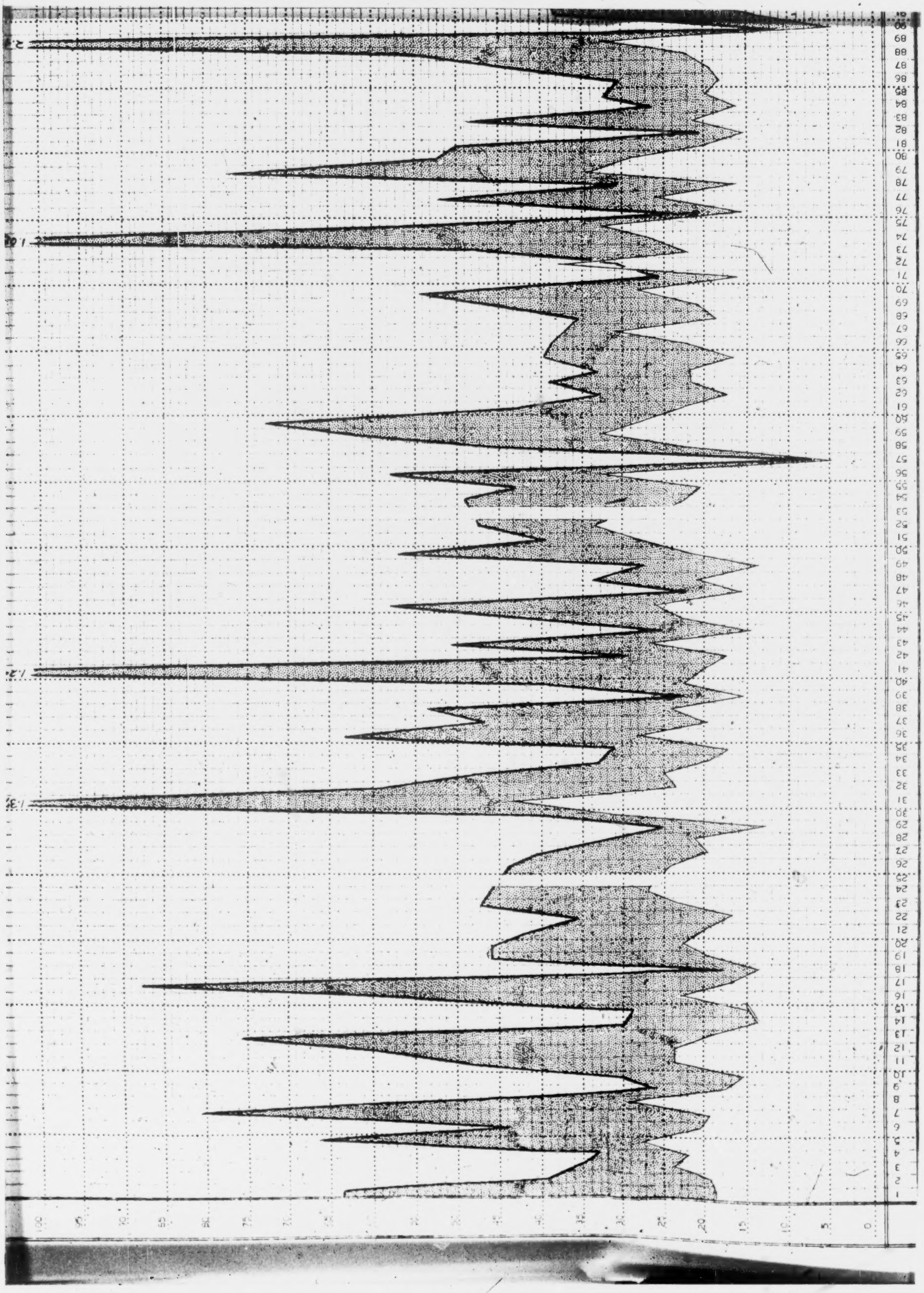
HEAVY LINE - Actual cost per head, inc. salary appraisal adjustments
LIGHT LINE - Secretary's reasonable cost per head
DENSE AREA - Reduction in costs under Secretary's rates

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

THE COST PER HEAD FOR THE YEAR 1932 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE SECRETARY'S REASONABLE COST PER HEAD FOR THE YEAR 1932

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedules Nos. 7 & 8)





aisal adjustments

ates

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO: 13,829

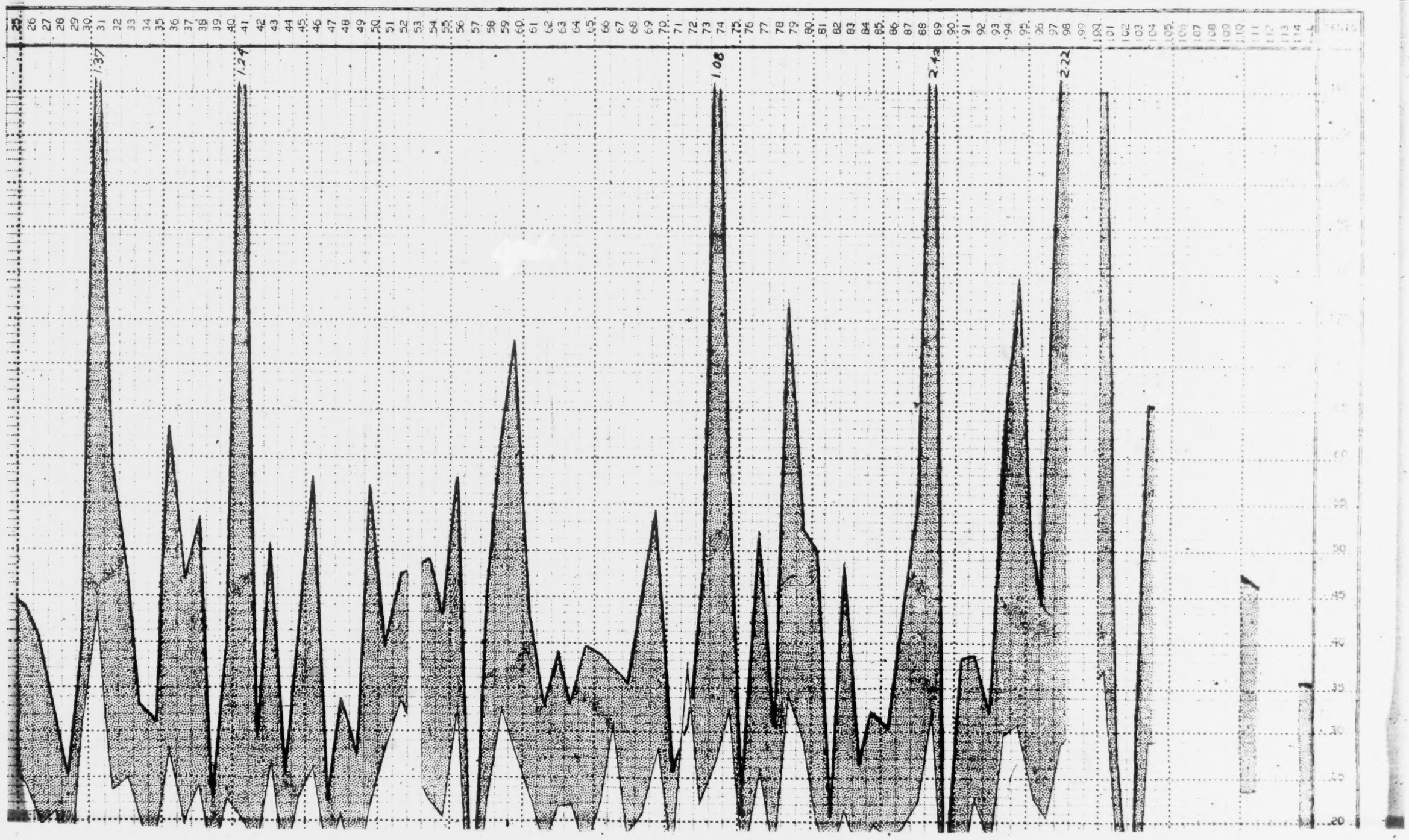
Petitioners' Exhibit No. 5
Witness, Earle D. Mudd.

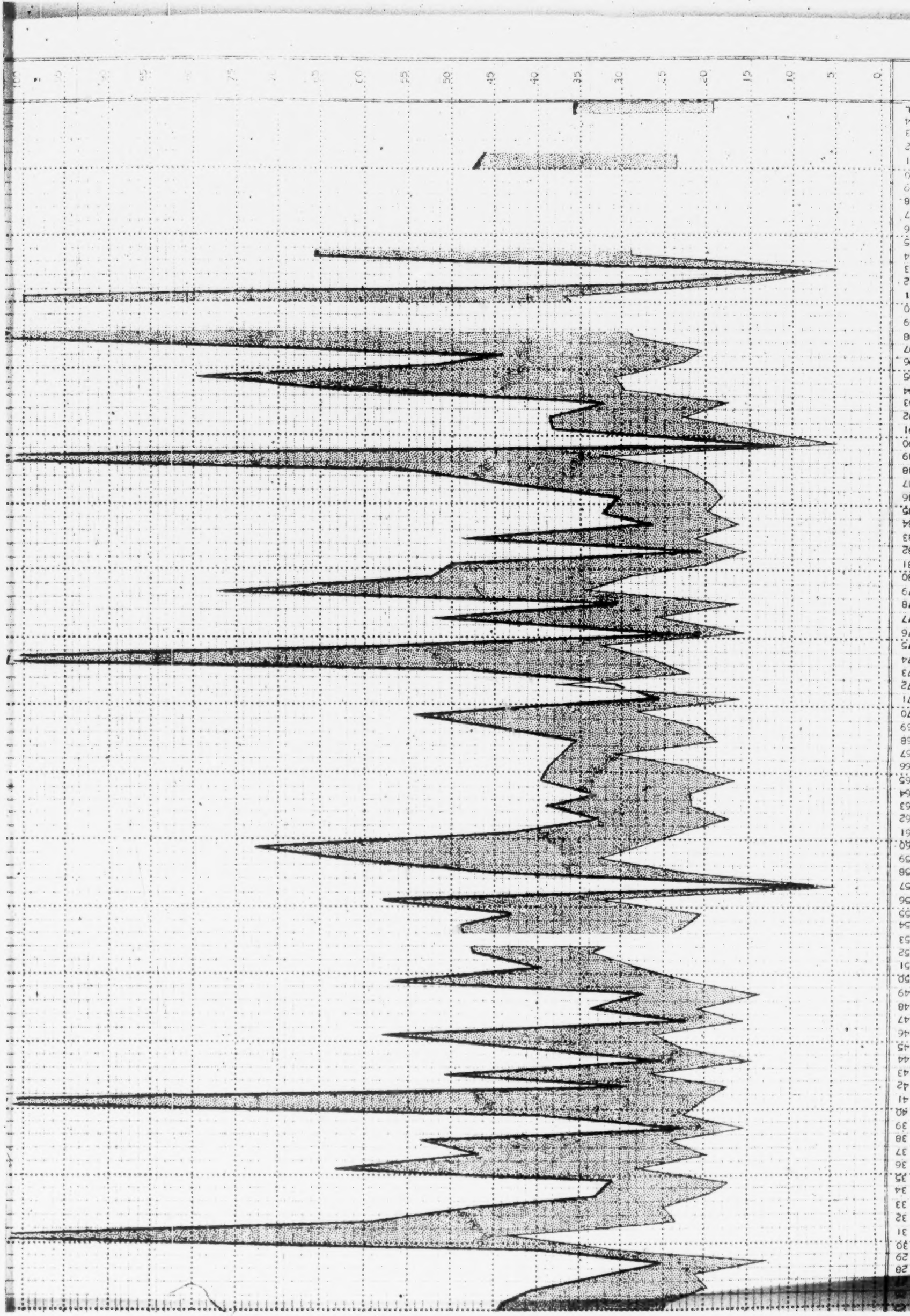
THE COST PER HEAD FOR THE YEAR 1932 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE SECRETARY'S REASONABLE COST PER HEAD FOR THE YEAR 1932

Sheet 1 of 3

SCHEDULE NO. 4

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedules Nos. 7 & 8)

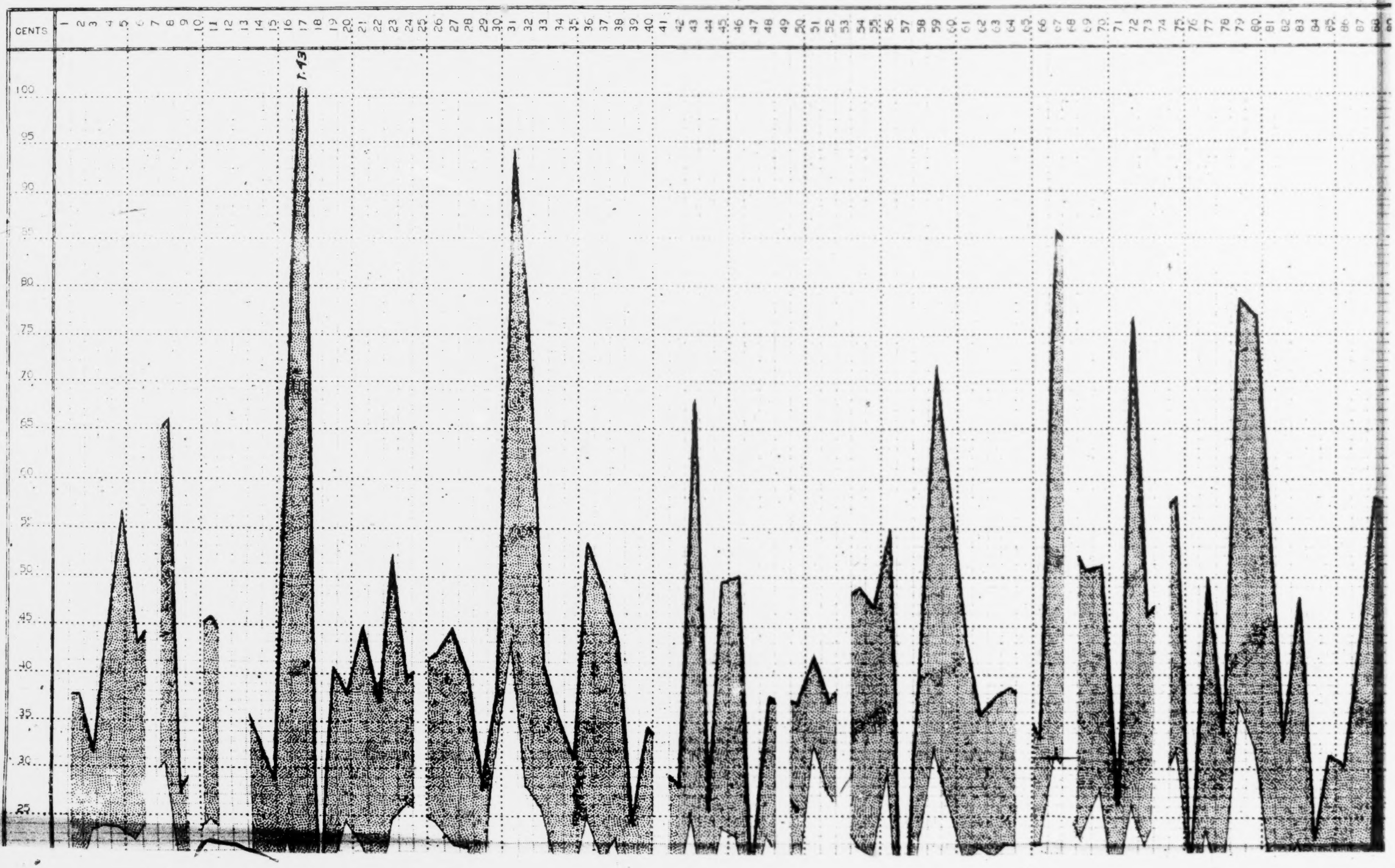


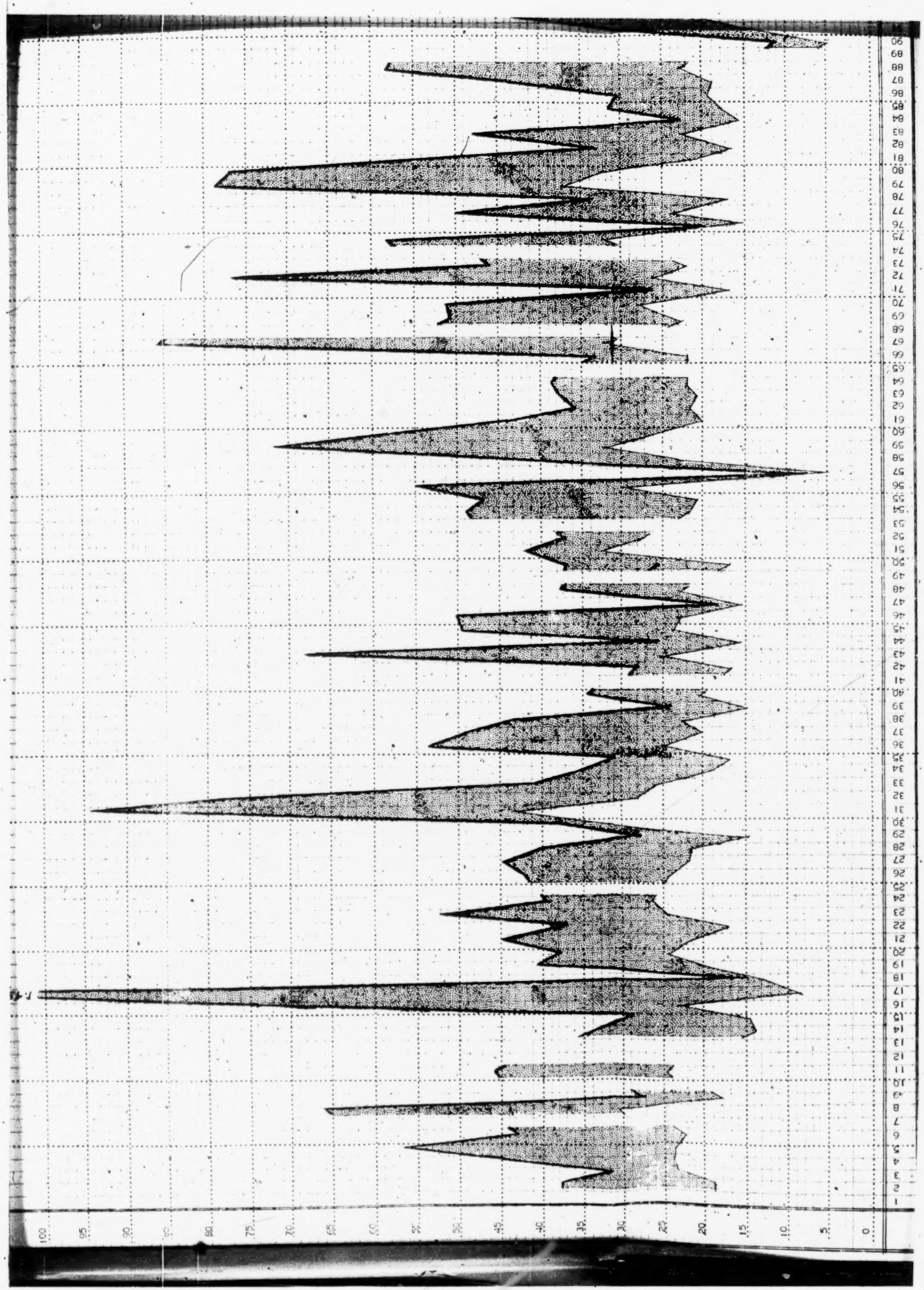


HEAVY LINE - Actual cost per head, inc. salary appraisal adjustments
LIGHT LINE - Secretary's reasonable cost per head
DENSE AREA - Reduction in costs under Secretary's rates

THE COST PER HEAD FOR THE YEAR 1933 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE SECRETARY'S REASONABLE COST PER HEAD FOR THE YEAR 1933

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedules Nos. 7 & 8)



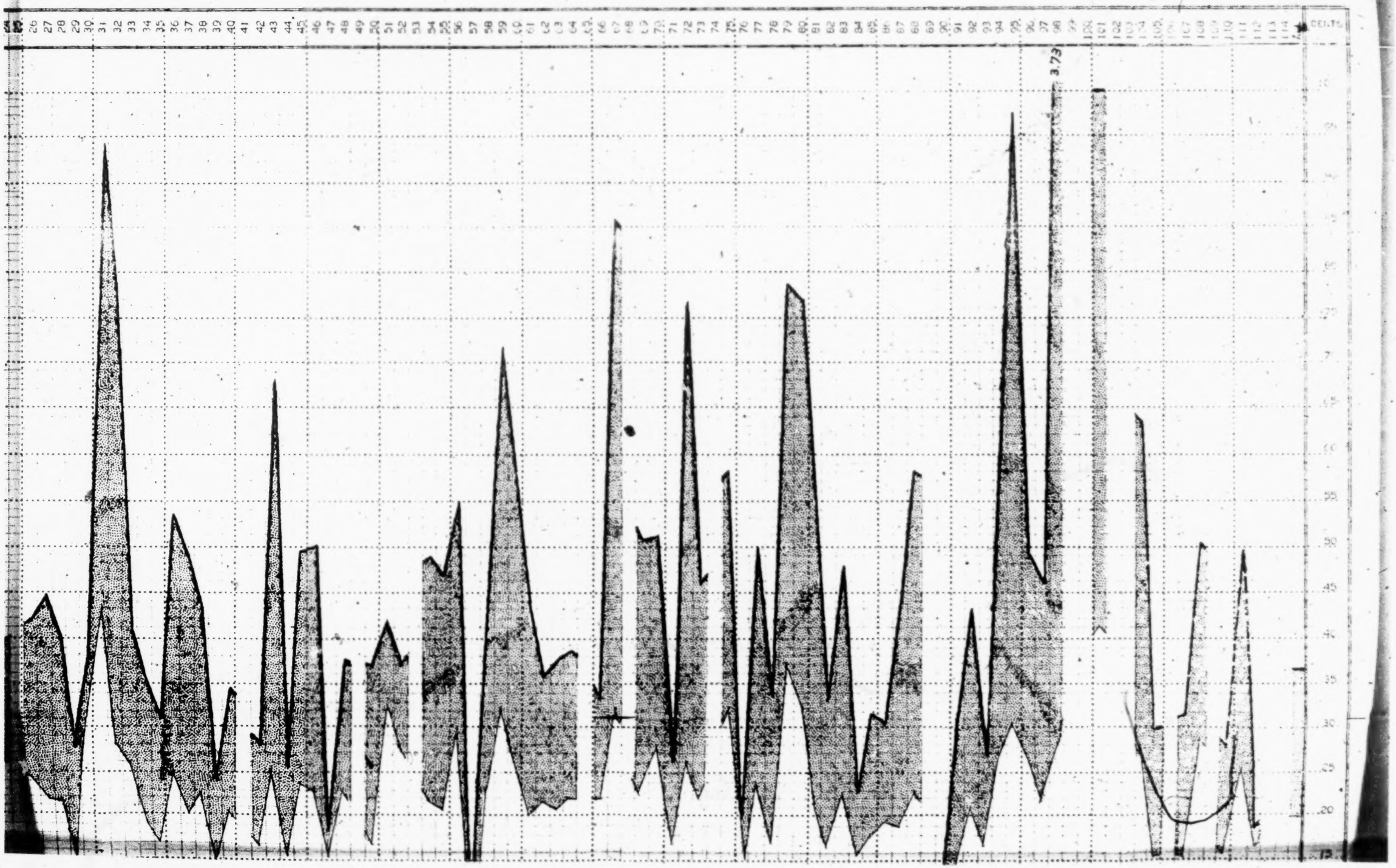

100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0

ates

THE COST PER HEAD FOR THE YEAR 1933 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE SECRETARY'S REASONABLE COST PER HEAD FOR THE YEAR 1933

SCHEDULE NO. 4

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedules Nos. 7 & 8)



55
50
45
40
35
30
25
20
15
10
5
0

27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 ALL

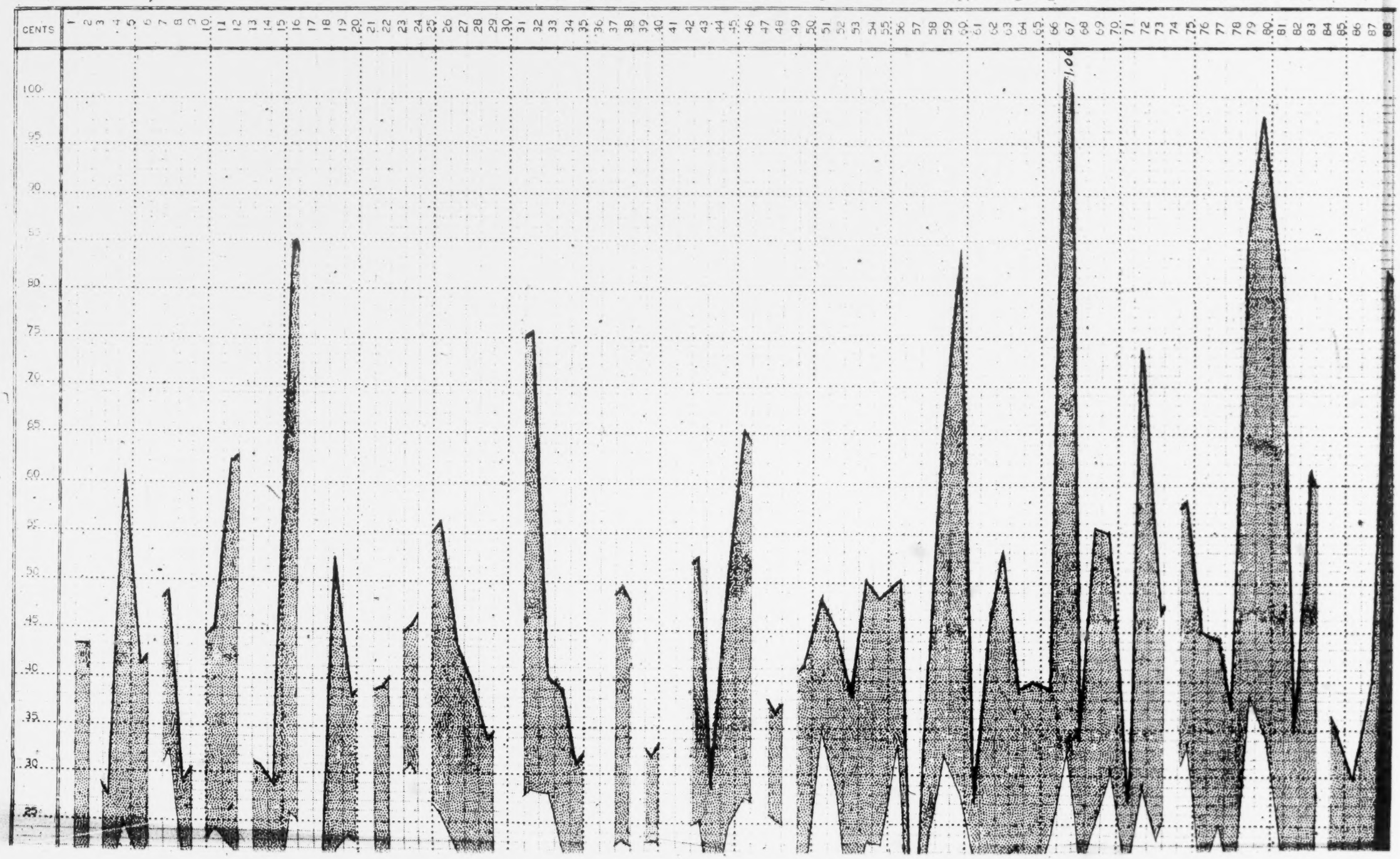
340

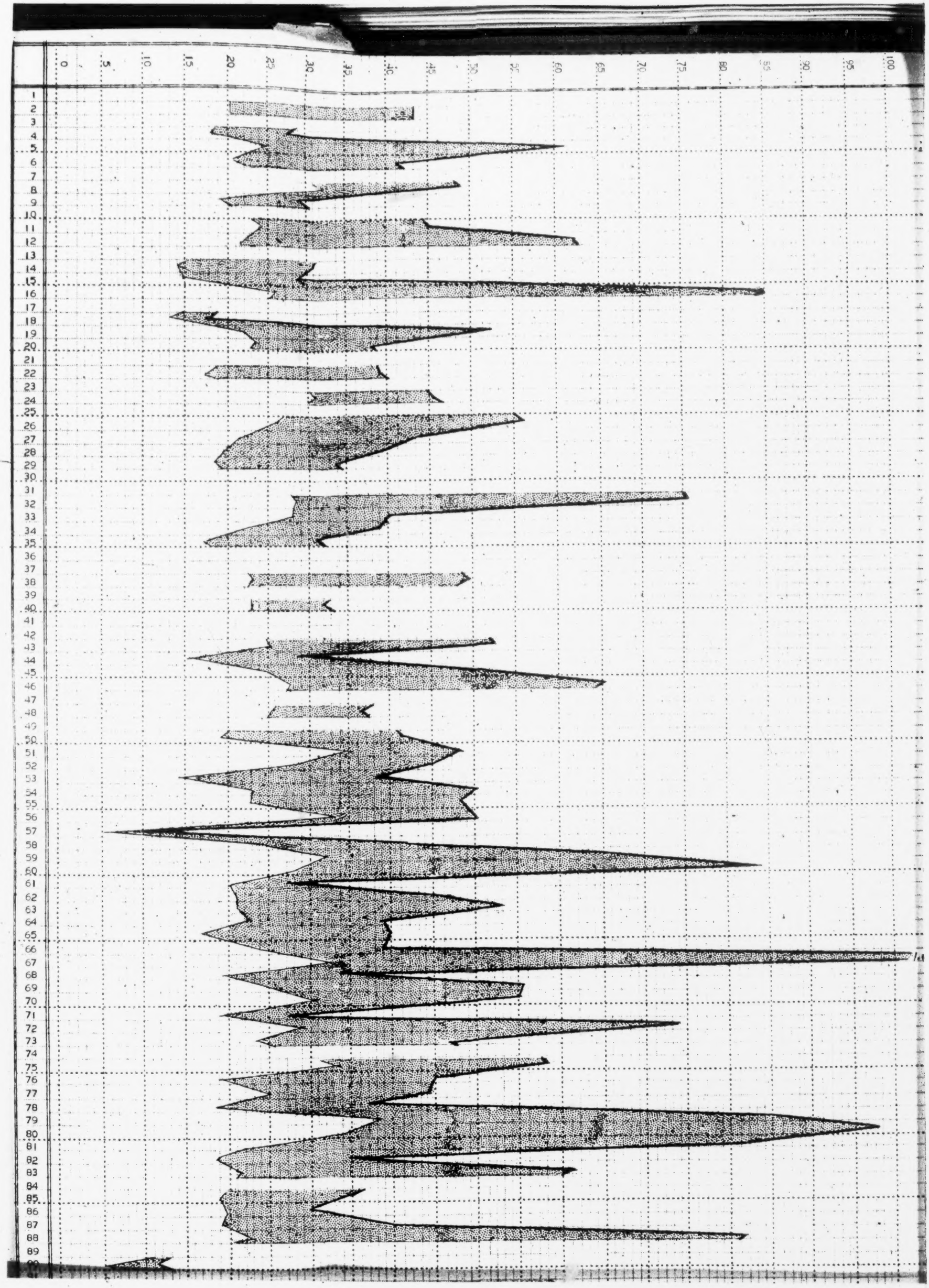
HEAVY LINE - Actual cost per head, inc. salary appraisal adjustments
LIGHT LINE - Secretary's reasonable cost per head
DENSE AREA - Reduction in costs under Secretary's rates

THE COST PER HEAD FOR THE FIRST FOUR MONTHS OF 1934 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with

THE SECRETARY'S REASONABLE COST PER HEAD FOR THE FIRST FOUR MONTHS OF 1934

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedules Nos. 7 & 8)




0
5
10
15
20
25
30
35
40
45
50
55
60
65
70
75
80
85
90
95
100

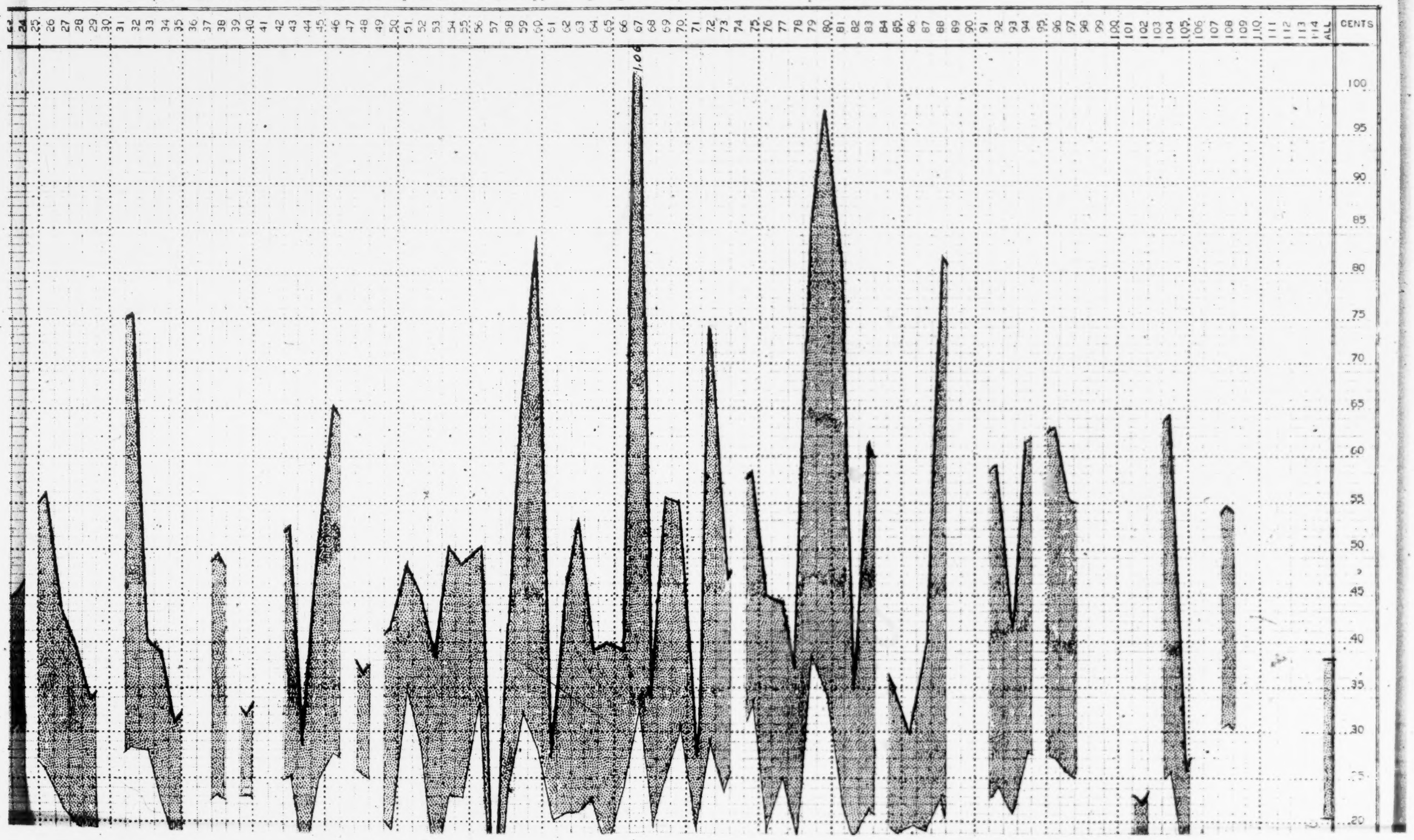
praisal adjustments

rates

THE COST PER HEAD FOR THE FIRST FOUR MONTHS OF 1934 - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE SECRETARY'S REASONABLE COST PER HEAD FOR THE FIRST FOUR MONTHS OF 1934

SCHEDULE NO. 4

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedules Nos. 7 & 8)



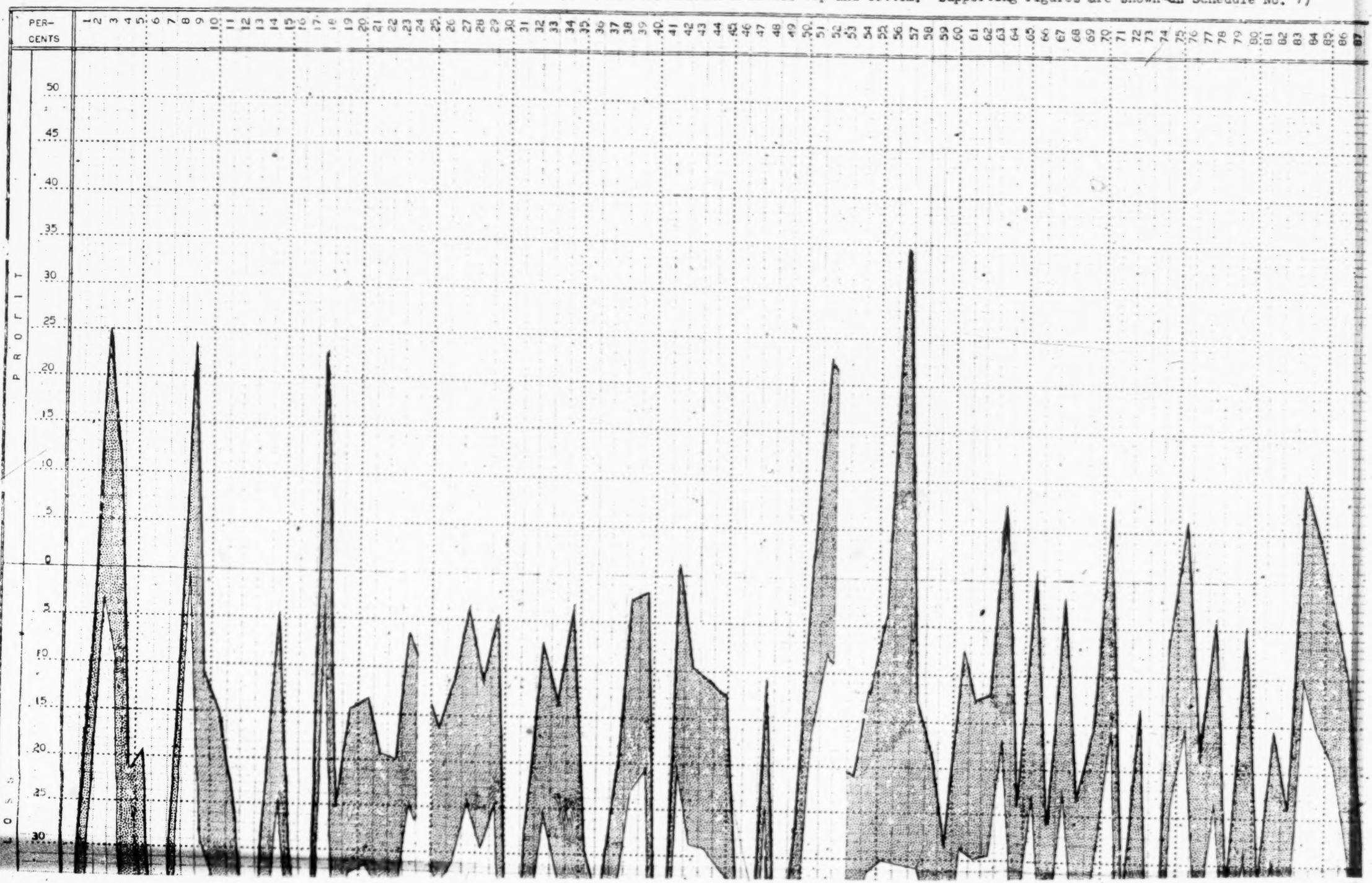
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0

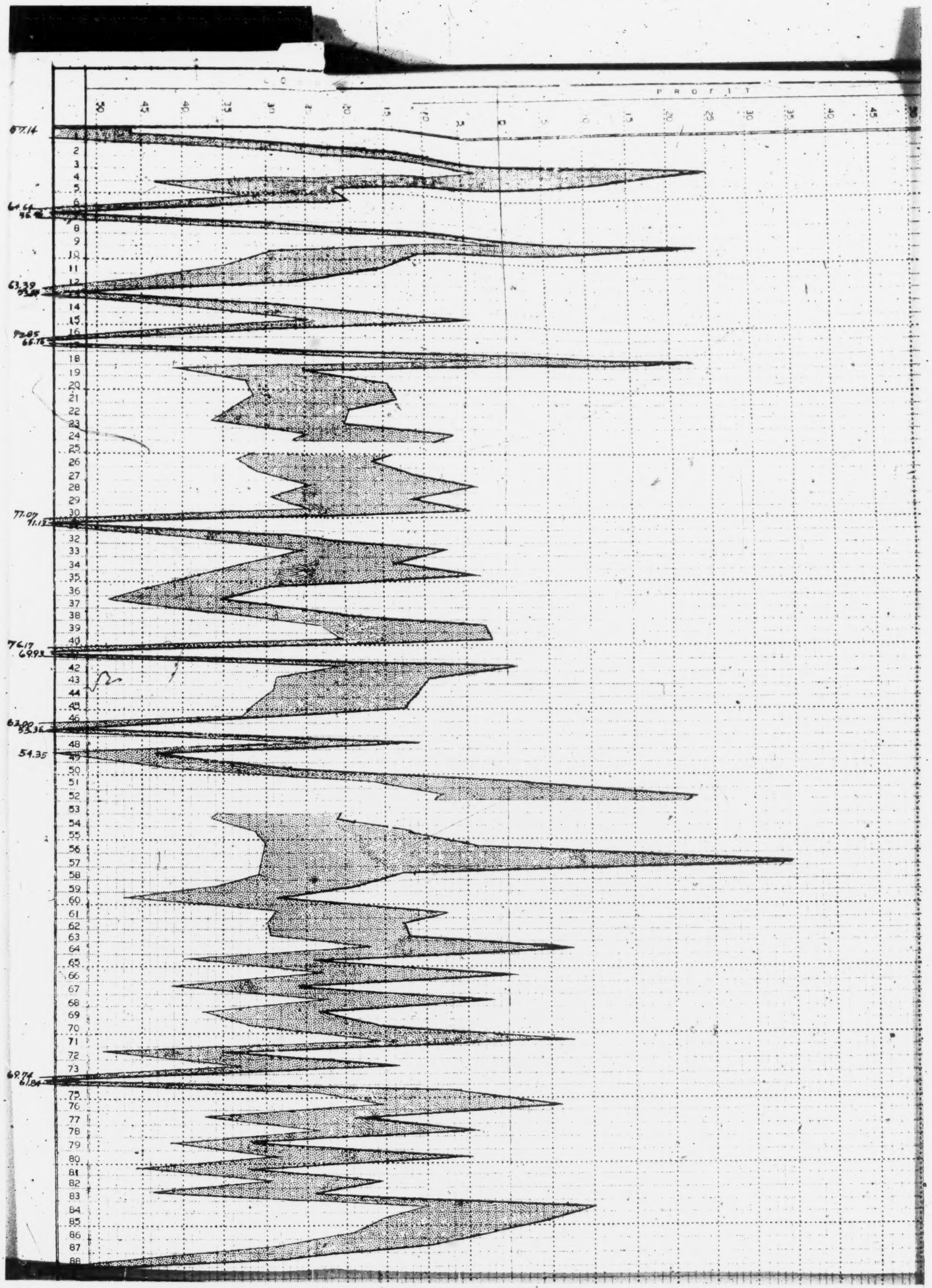
29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 ALL

HEAVY LINE - Percent of profit or loss under present rates
LIGHT LINE - Percent of profit or loss under Secretary's rates
DENSE AREA - Reduction caused by Secretary's rates

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

PERCENT OF PROFIT OR LOSS UNDER PRESENT RATES - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE PERCENT OF PROFIT OR LOSS UNDER THE SECRETARY'S RATES
FOR THE YEAR 1932
(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)




PROFIT
67.14
64.44
63.39
66.15
77.07
71.13
70.17
69.93
63.00
53.36
54.35
69.74
61.84

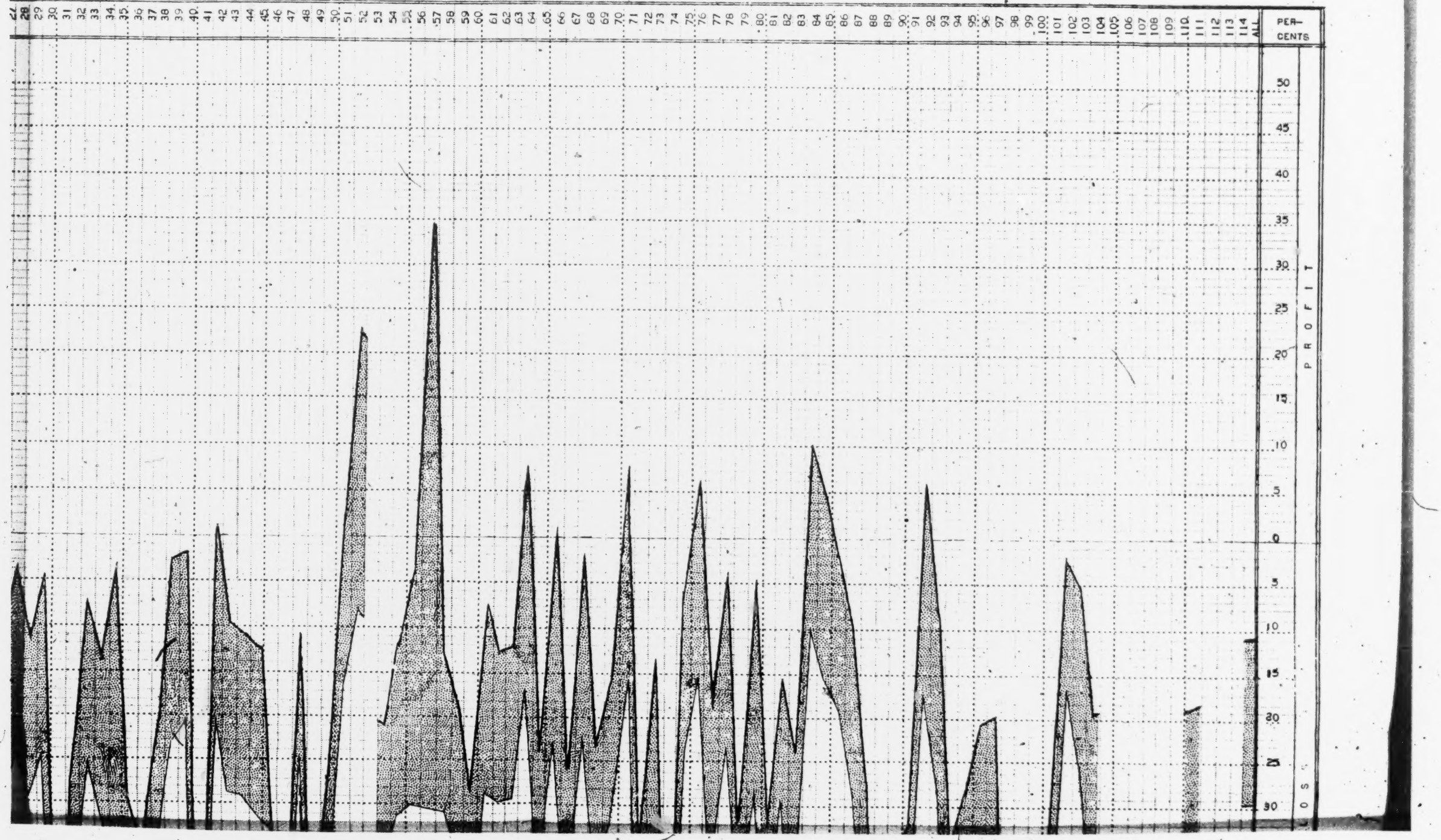
IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13,829

Petitioners' Exhibit No. 6
Witness, Earle D. Mudd.

Sheet 1 of 3

PERCENT OF PROFIT OR LOSS UNDER PRESENT RATES - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE PERCENT OF PROFIT OR LOSS UNDER THE SECRETARY'S RATES
FOR THE YEAR 1932
(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)

SCHEDULE NO. 5



77.07
71.13
74.17
69.93
63.00
53.36
54.35
69.74
61.84
82.77
78.31
50.41
80.17
74.99

29 30 32 33 34 35 36 37 38 39 40 42 43 44 45 46 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 75 76 77 78 79 80 81 82 83 84 85 86 87 88 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 ALL

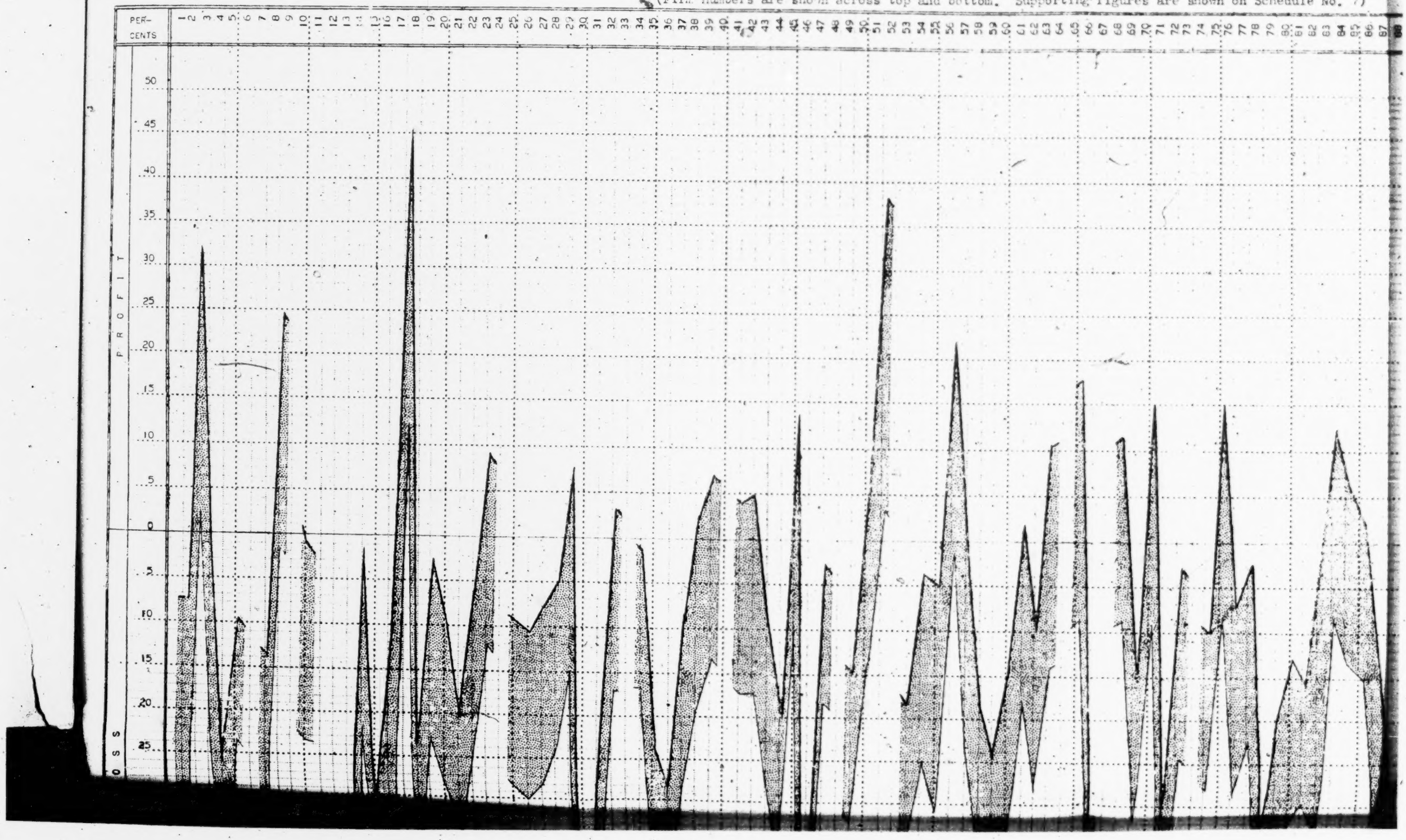
50 45 40 35 30 25 20 15 10 5 0 5 10 15 20 25 30 35 40 45

LOSS PROFIT

HEAVY LINE - Percent profit or loss under present rates
LIGHT LINE - Percent of profit or loss under Secretary's rates
DENSE AREA - Reduction caused by Secretary's rates

PERCENT OF PROFIT OR LOSS UNDER PRESENT RATES - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
PERCENT OF PROFIT OR LOSS UNDER THE SECRETARY'S RATES
FOR THE YEAR 1933

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)



LOSS 50 45 40 35 30 25 20 15 10 5 0 PROFIT 5 10 15 20 25 30 35 40 45 50

1.41

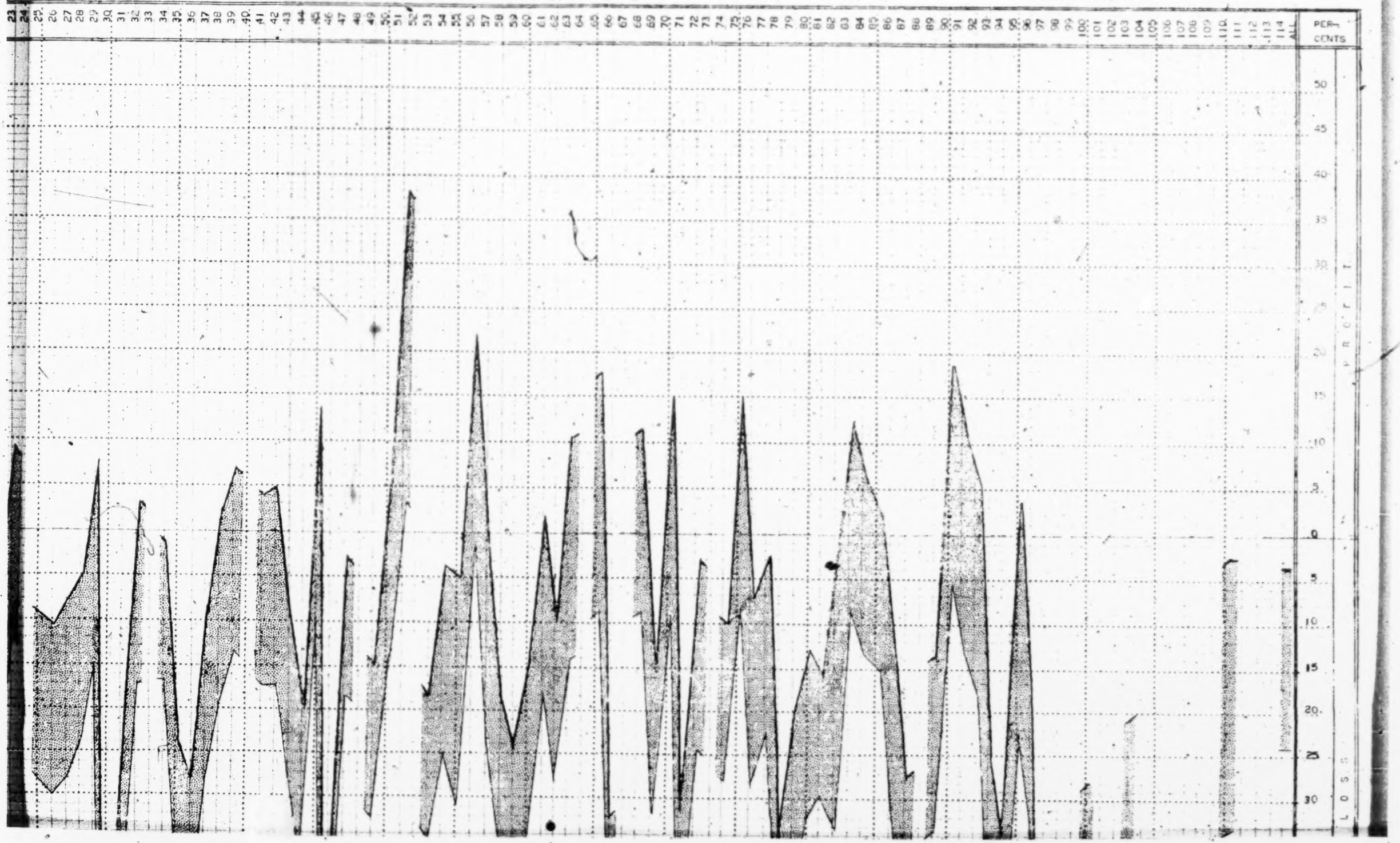
1.29

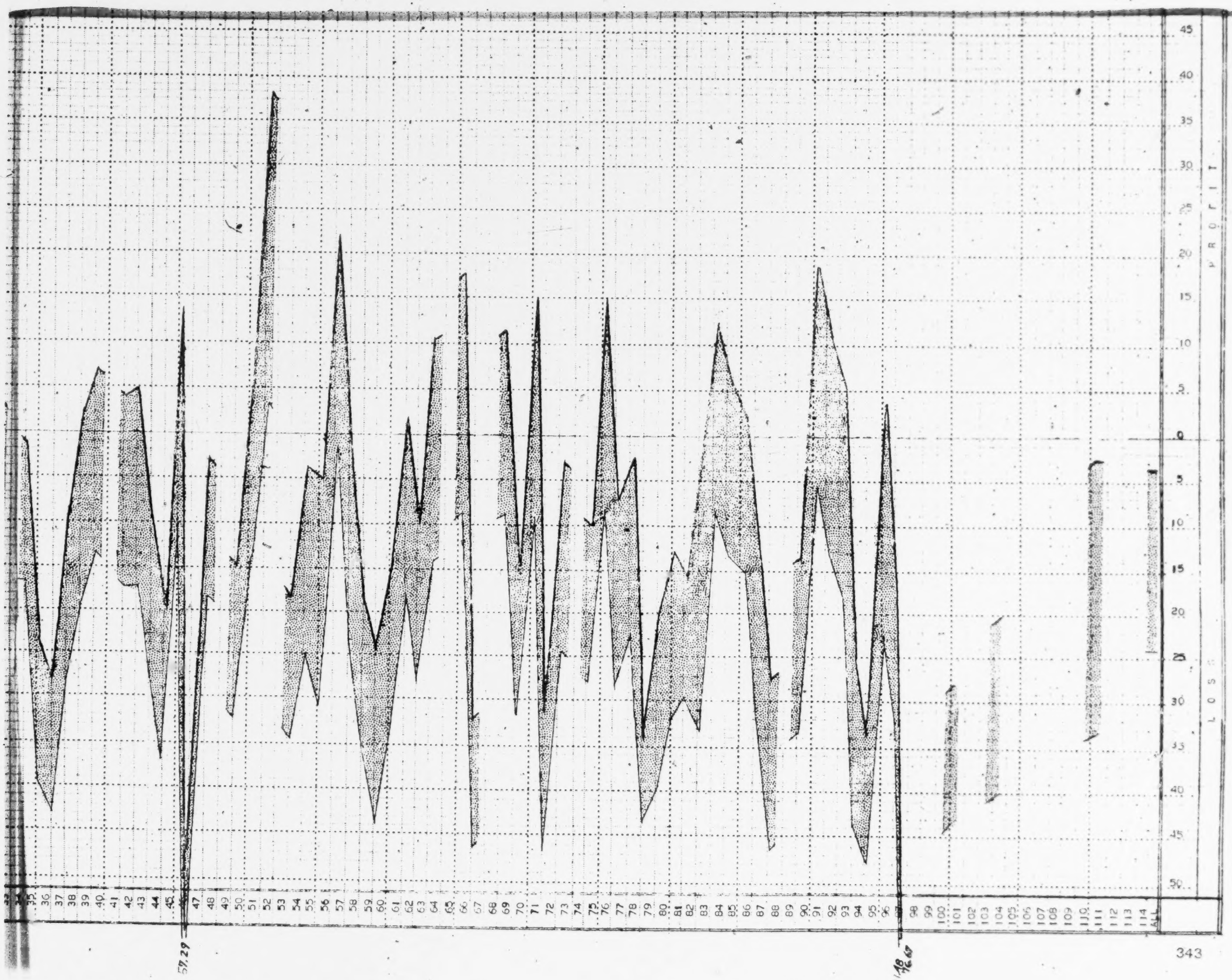
ates
ary's rates

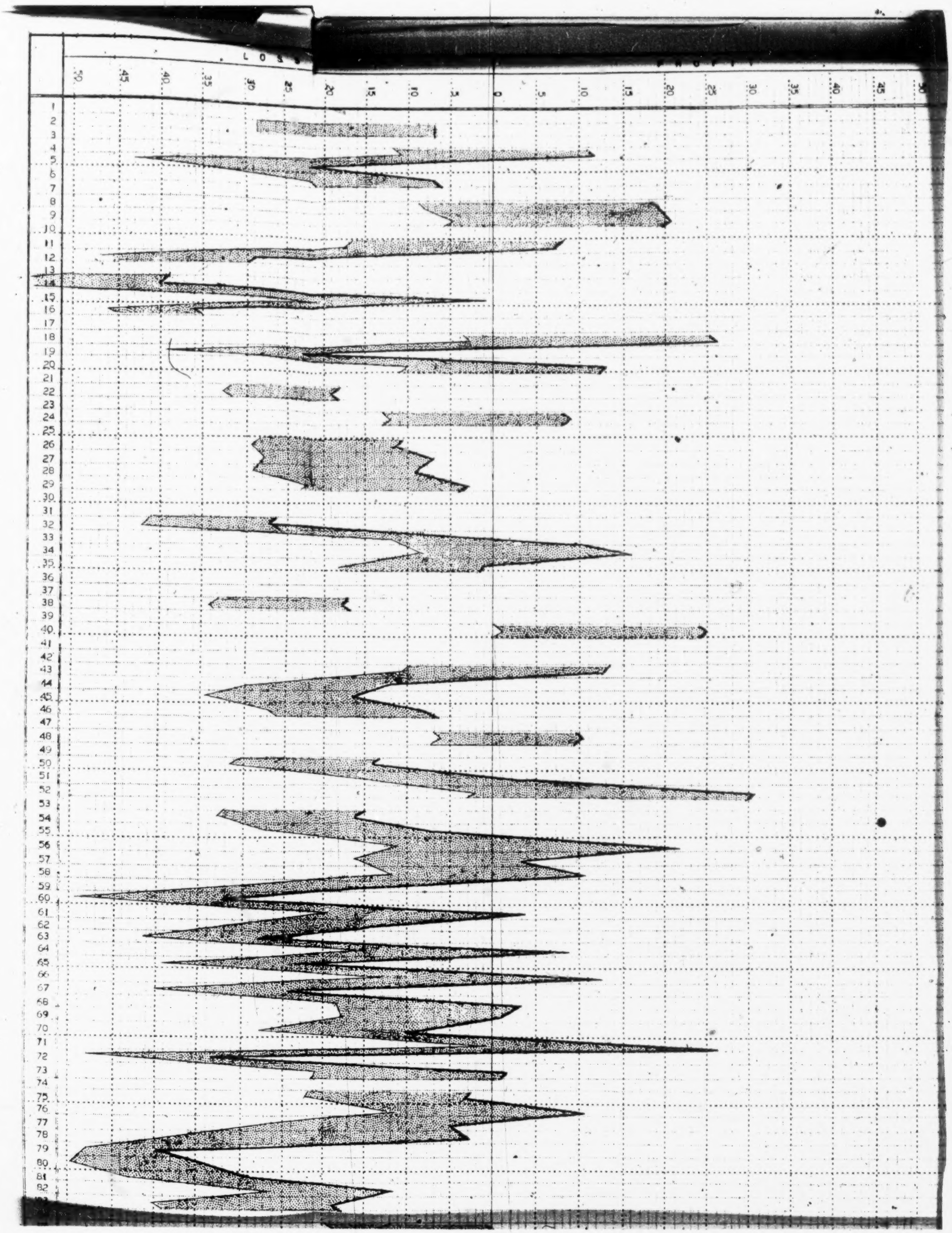
PERCENT OF PROFIT or LOSS UNDER PRESENT RATES - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
PERCENT OF PROFIT OR LOSS UNDER THE SECRETARY'S RATES
FOR THE YEAR-1933

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)

SCHEDULE NO. 5



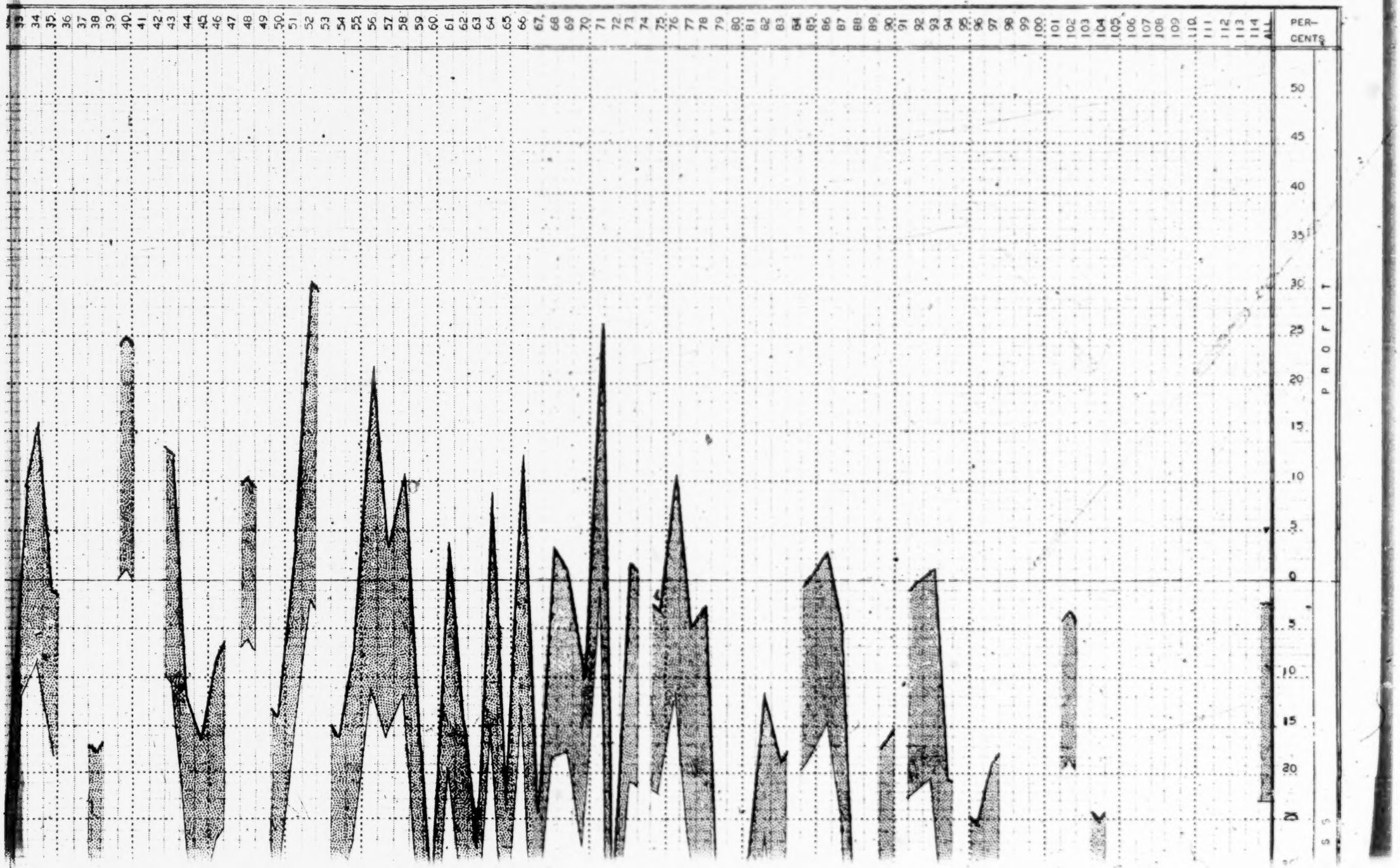

PROFIT
LOSS
57.29
18.63

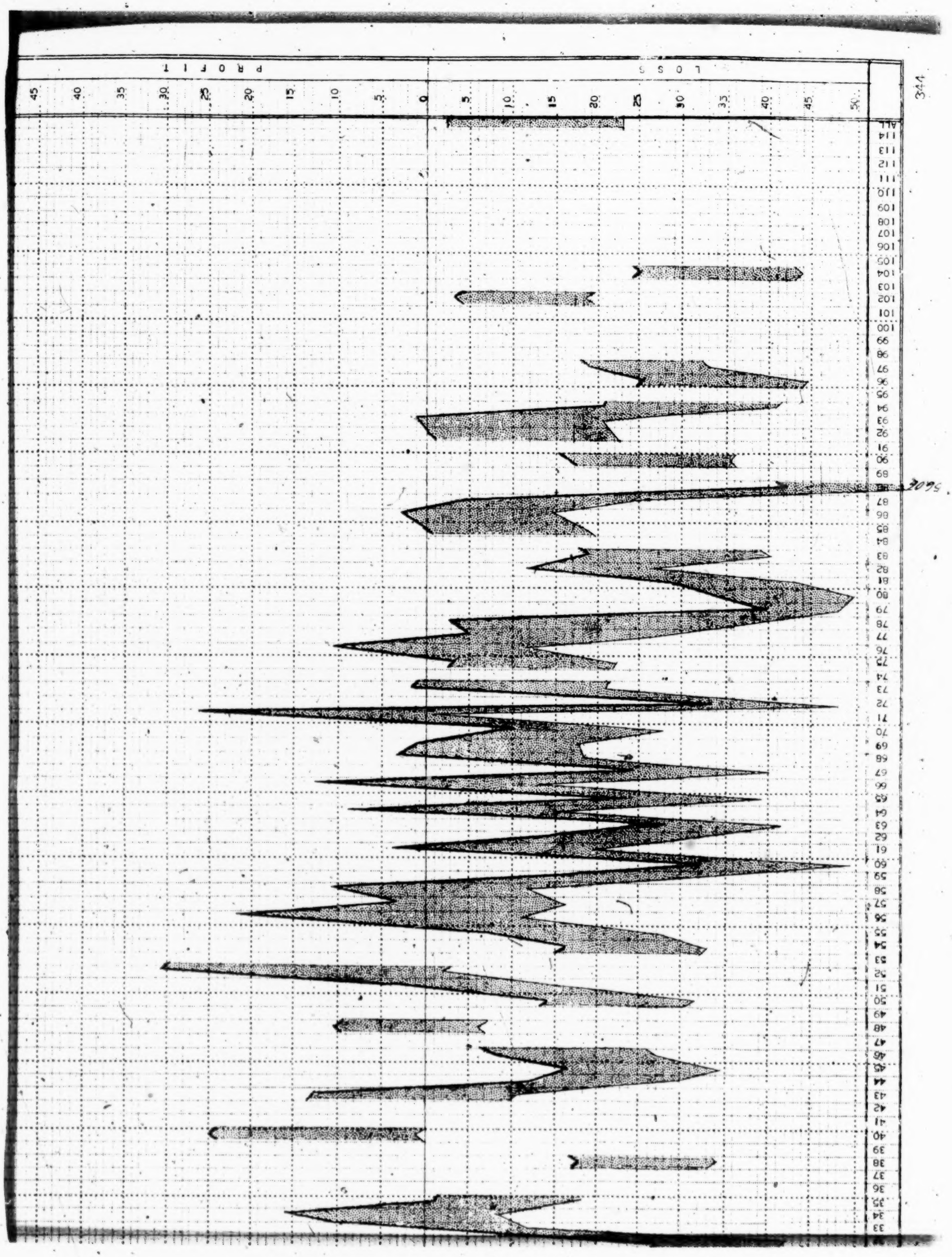

LOSS
PROFIT
50 45 40 35 30 25 20 15 10 5 0 5 10 15 20 25 30 35 40 45 50

PERCENT OF PROFIT OR LOSS UNDER PRESENT RATES - INCLUDING SALARY APPRAISAL ADJUSTMENTS
as compared with
THE PERCENT OF PROFIT OR LOSS UNDER THE SECRETARY'S RATES
FOR THE FIRST FOUR MONTHS OF 1934

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)

SCHEDULE NO. 5



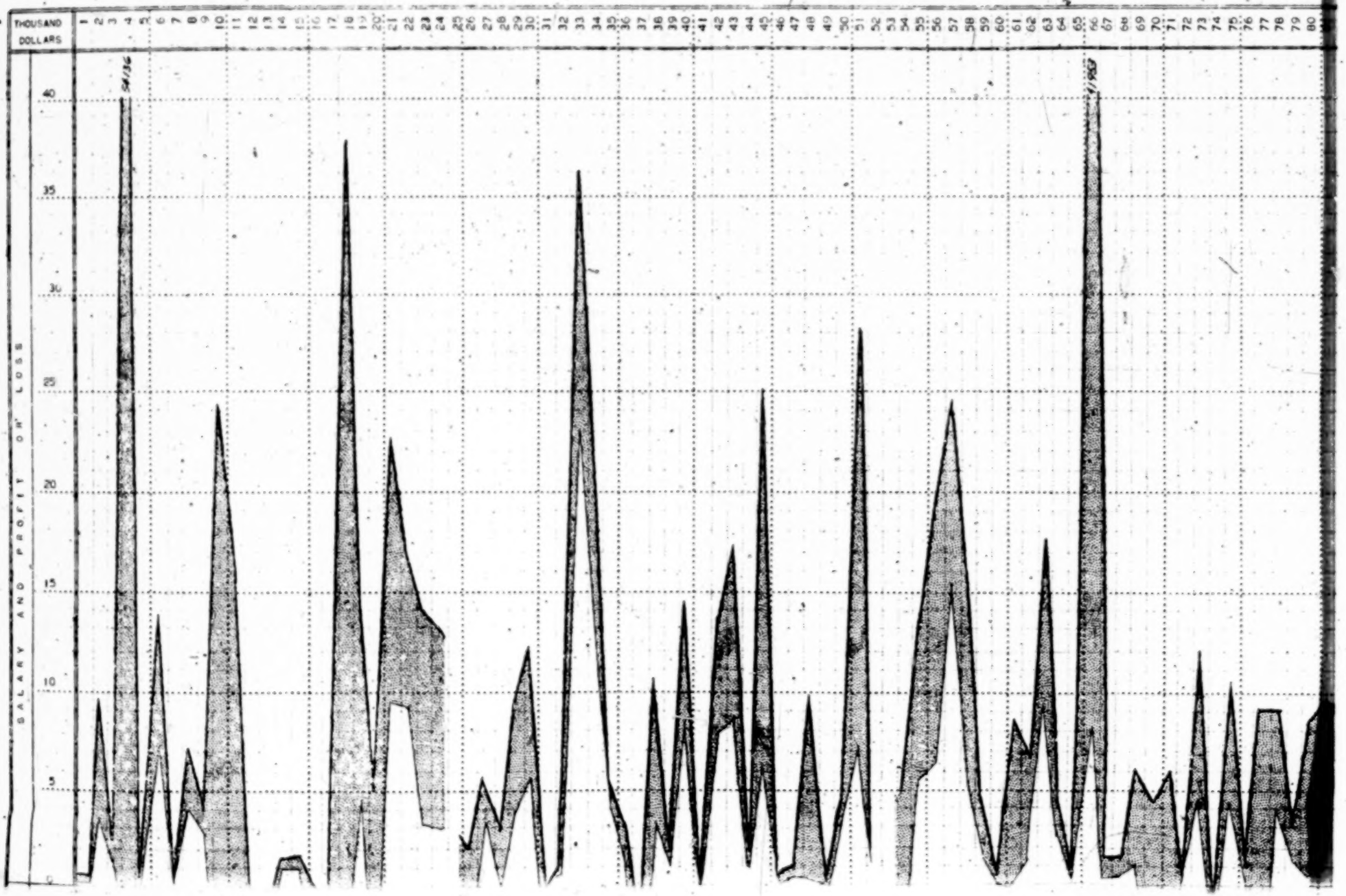

PROFIT
LOSS
344
3095

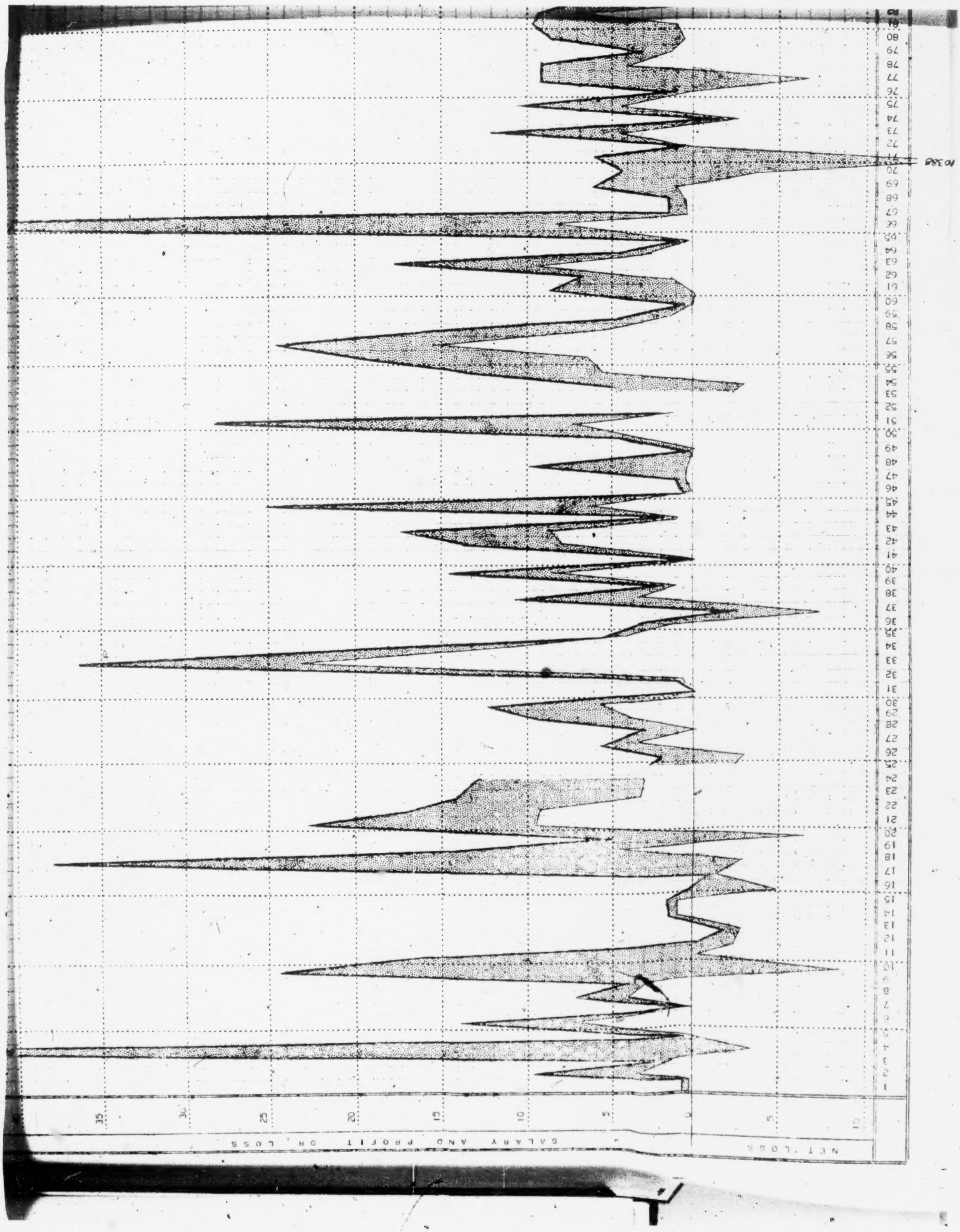
HEAVY LINE - Under present rates
LIGHT LINE - Under secretary's rates
DEUCE AREA - Effect of rate reductions

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. M3,829

OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER PRESENT RATES
as compared with
OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER SECRETARY'S RATES
FOR THE YEAR 1932

(Firm numbers are shown across top and bottom. Supporting figures are shown on Sched




SALARY AND PROFIT ON LOSS
NET LOSS

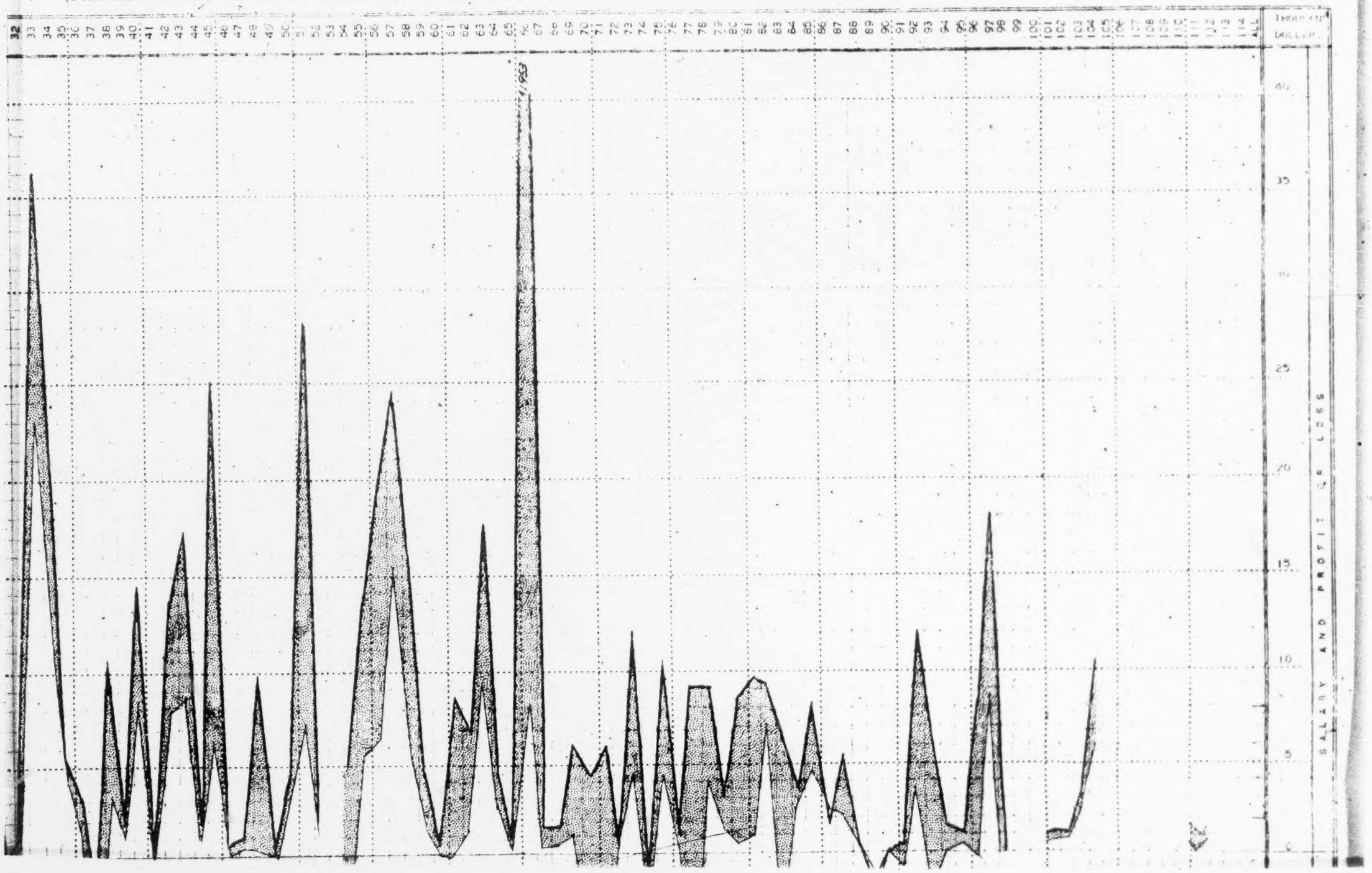
IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 14,829

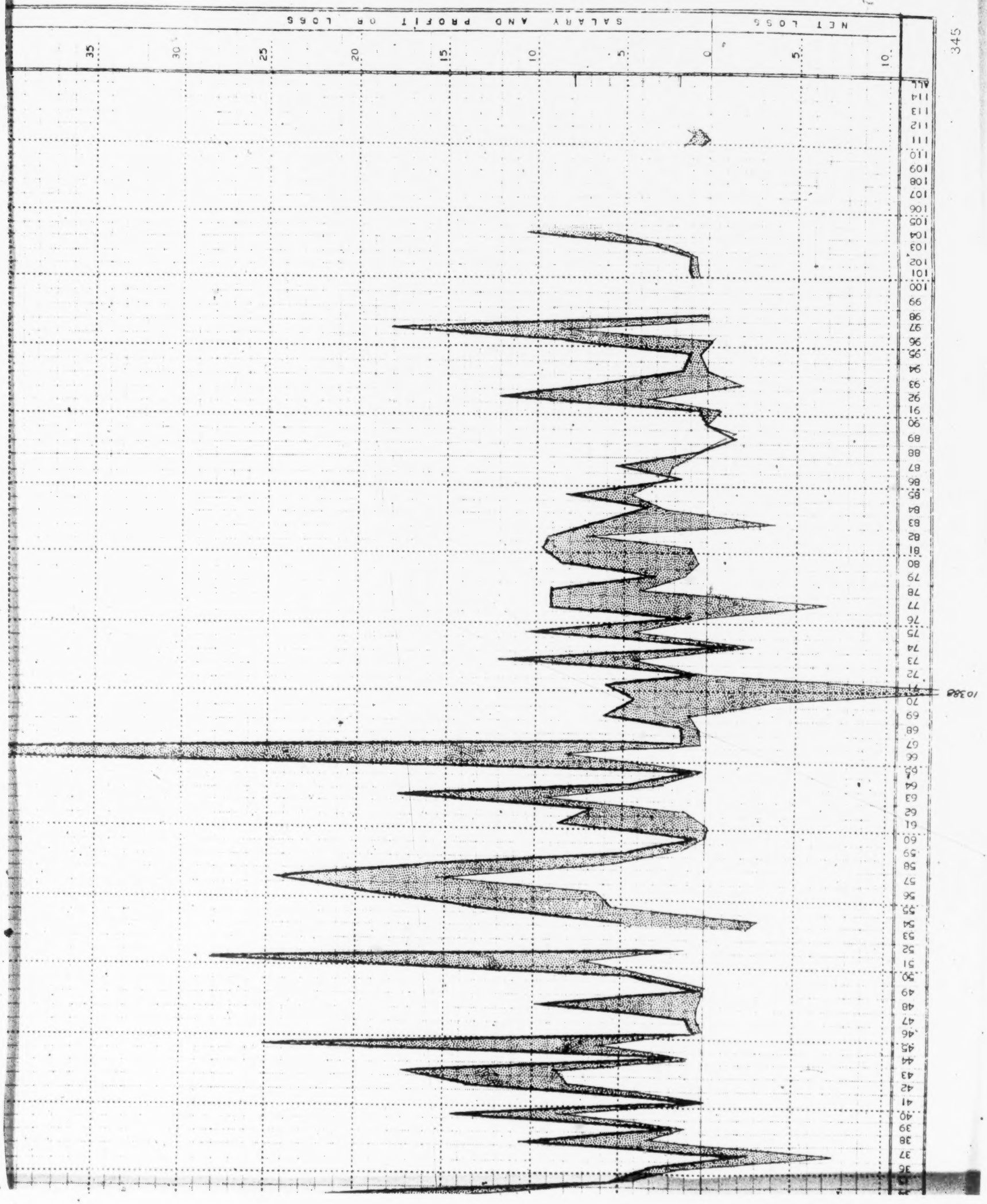
Petitioners' Exhibit No. ___
Witness, Earle D. Mudd.
Sheet 1 of 1

OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER PRESENT RATES
as compared with
OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER SECRETARY'S RATES
FOR THE YEAR 1932

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No.7)

SCHEDULE NO. 6

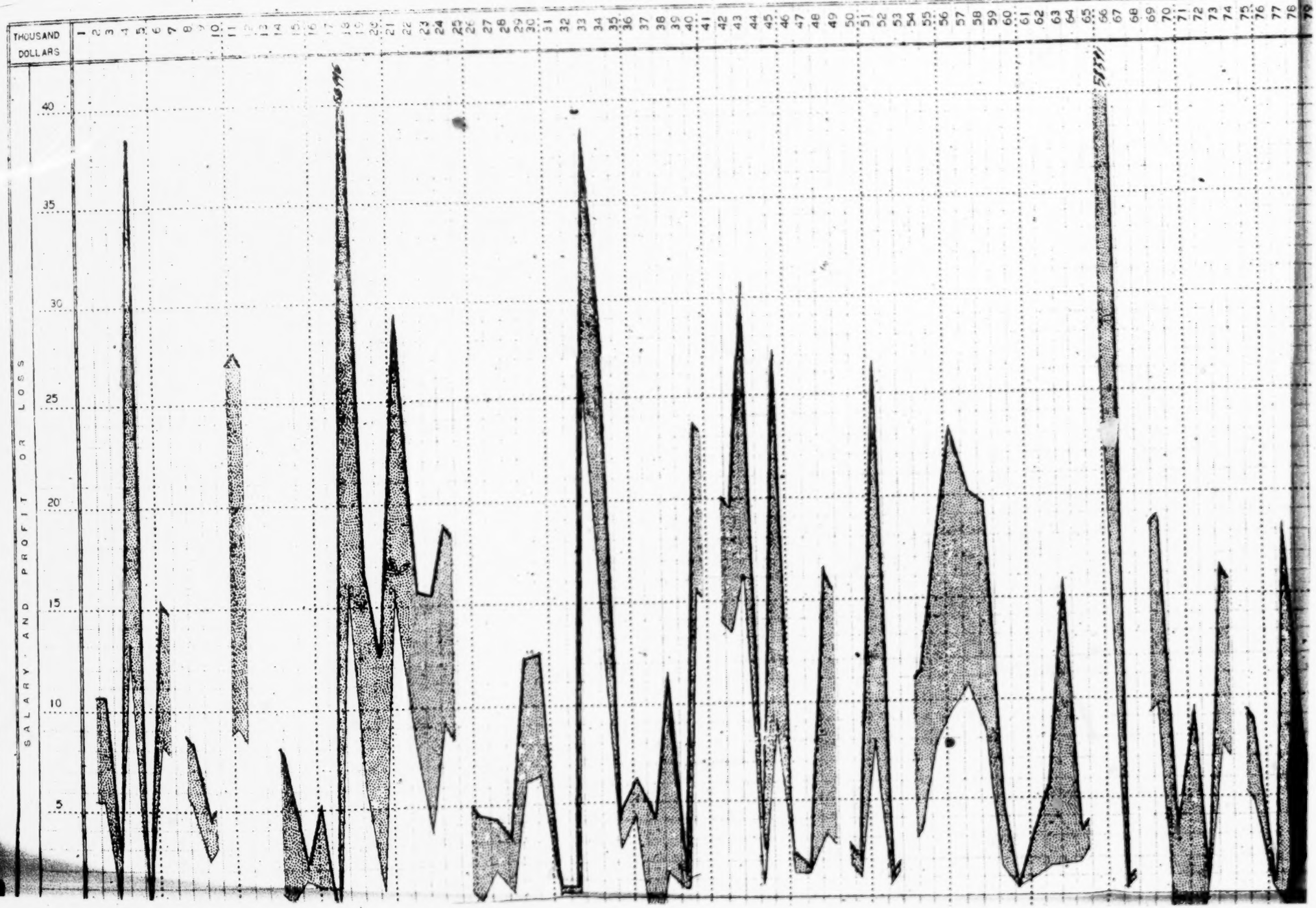


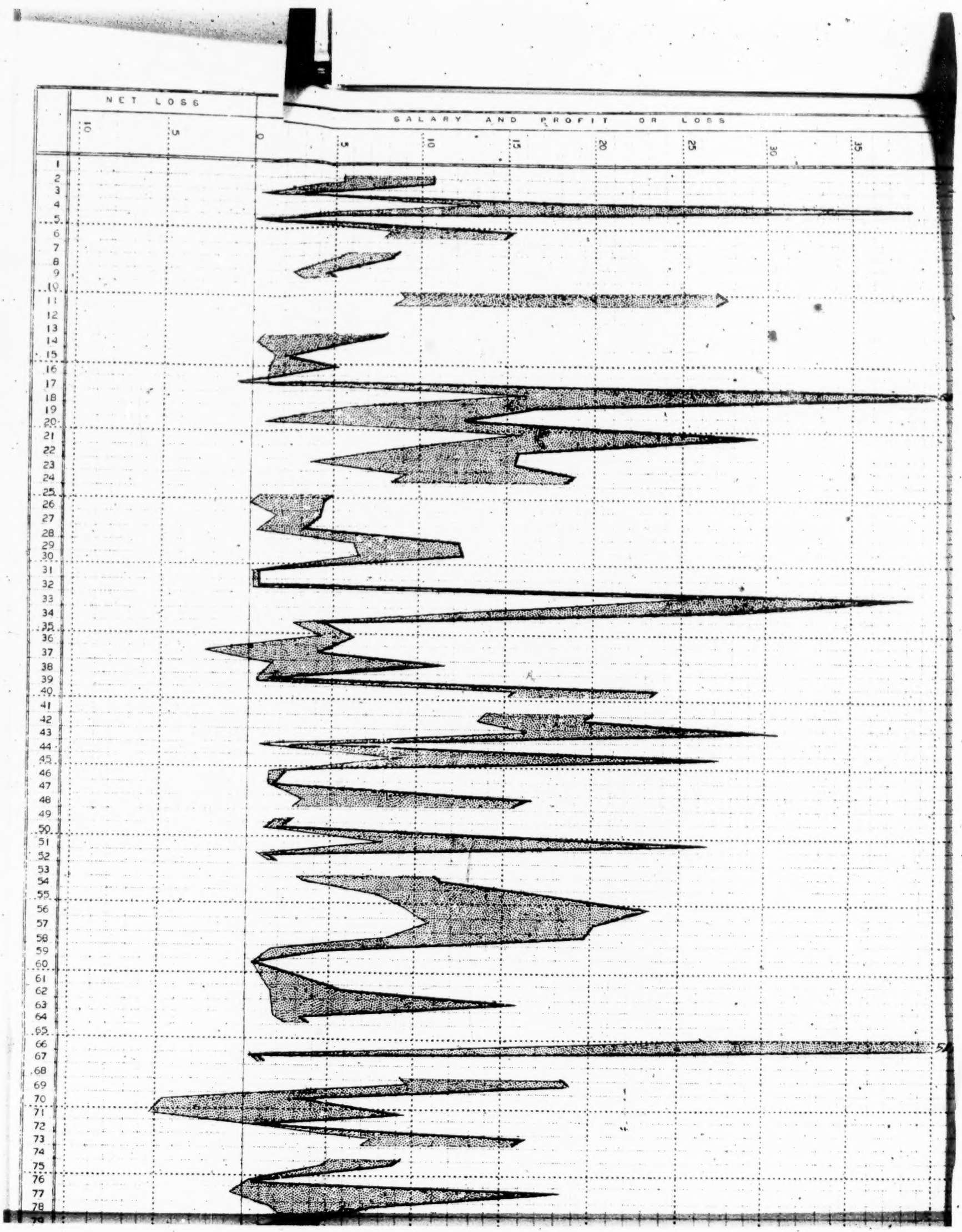

NET LOSS
SALARY AND PROFIT OR LOSS
10
5
0
5
10
15
20
25
30
35
1038

HEAVY LINE - Under present rates
LIGHT LINE - Under Secretary's rates
DENSE AREA - Effect of rate reductions

OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER PRESENT RATES
as compared with
OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER SECRETARY'S RATES
FOR THE YEAR 1933

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule

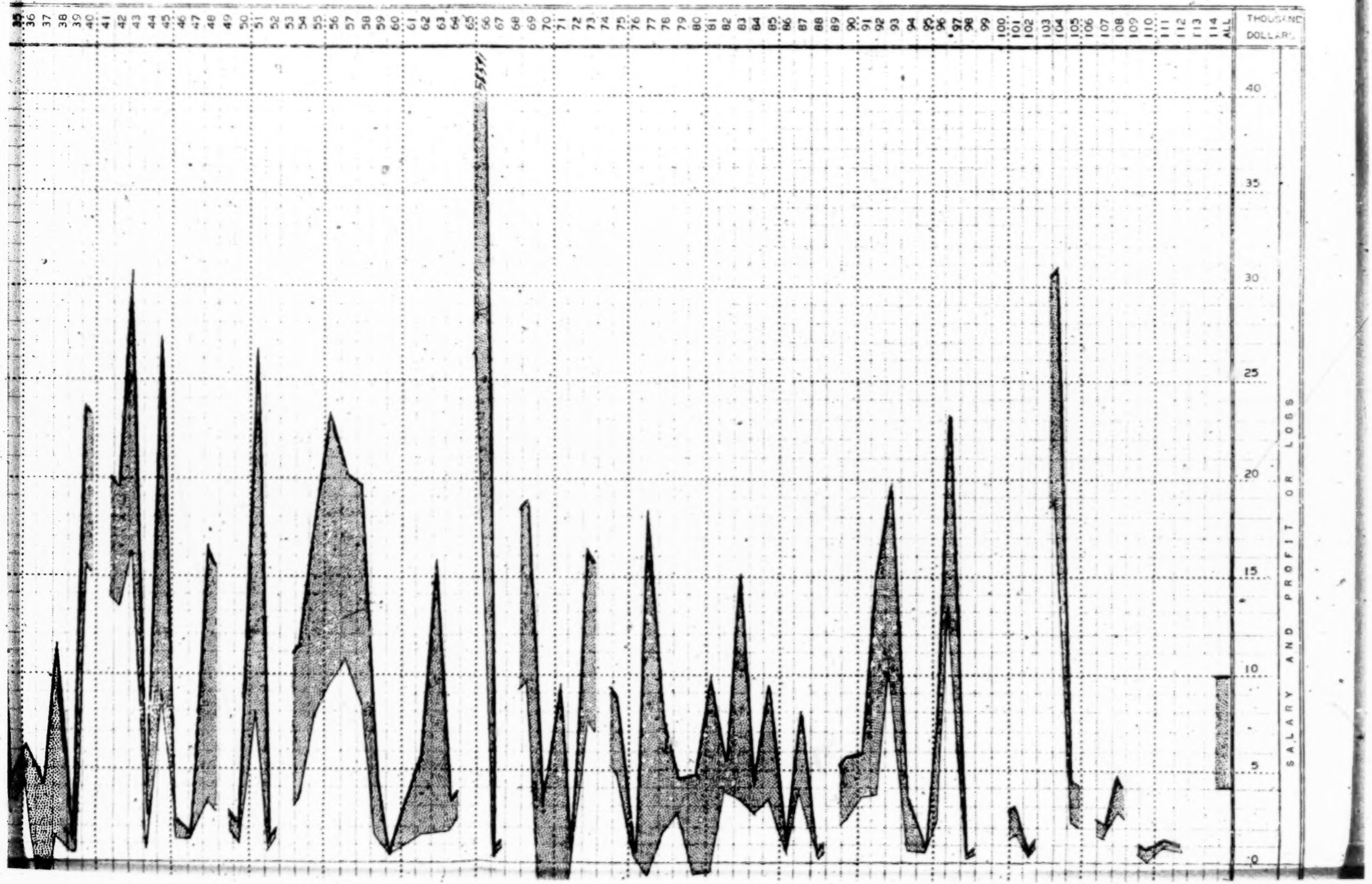


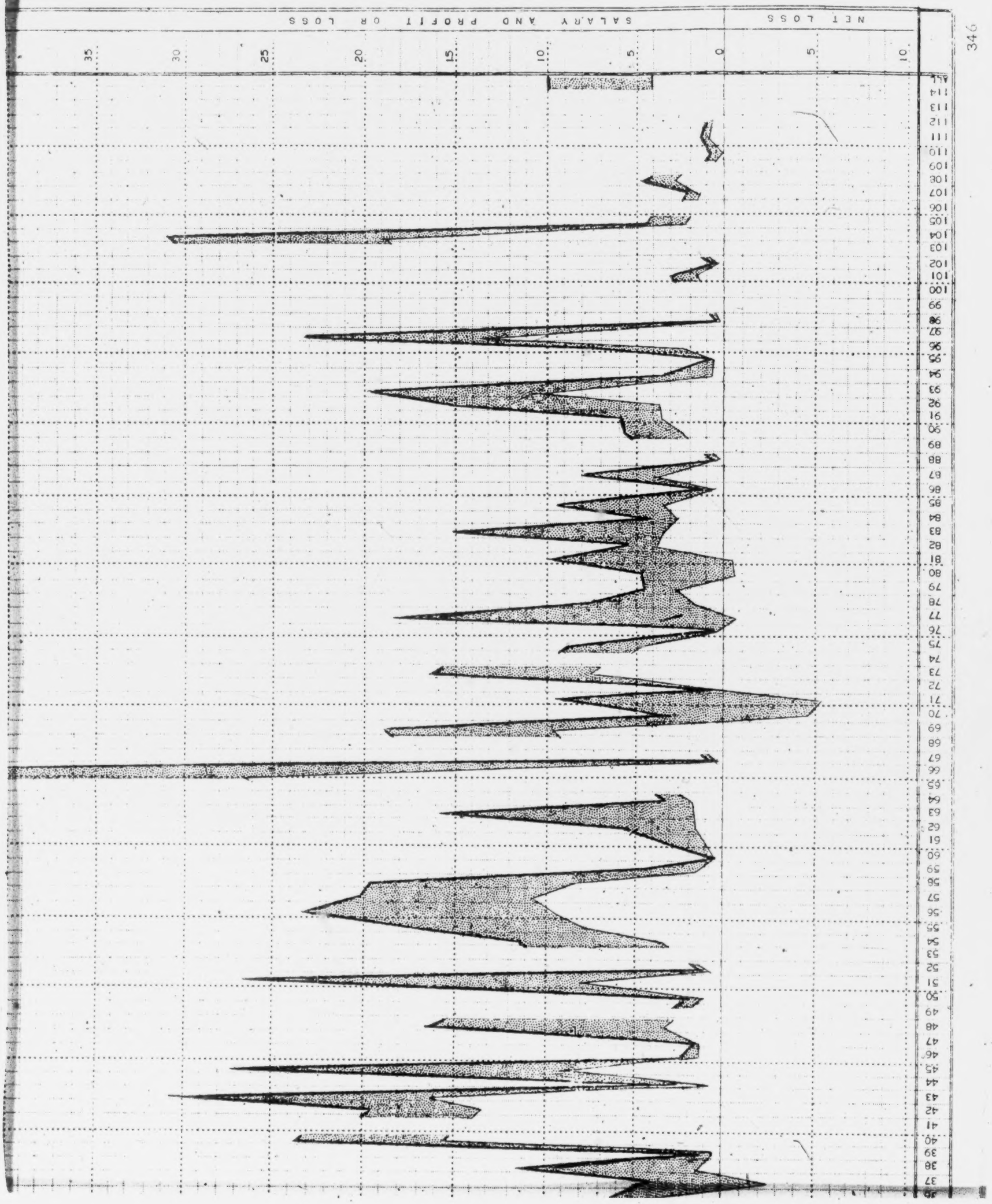

NET LOSS
10
5
0
SALARY AND PROFIT OR LOSS
5
10
15
20
25
30
35

OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER PRESENT RATES
as compared with
OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER SECRETARY'S RATES
FOR THE YEAR 1933

numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7).

SCHEDULE NO. 6

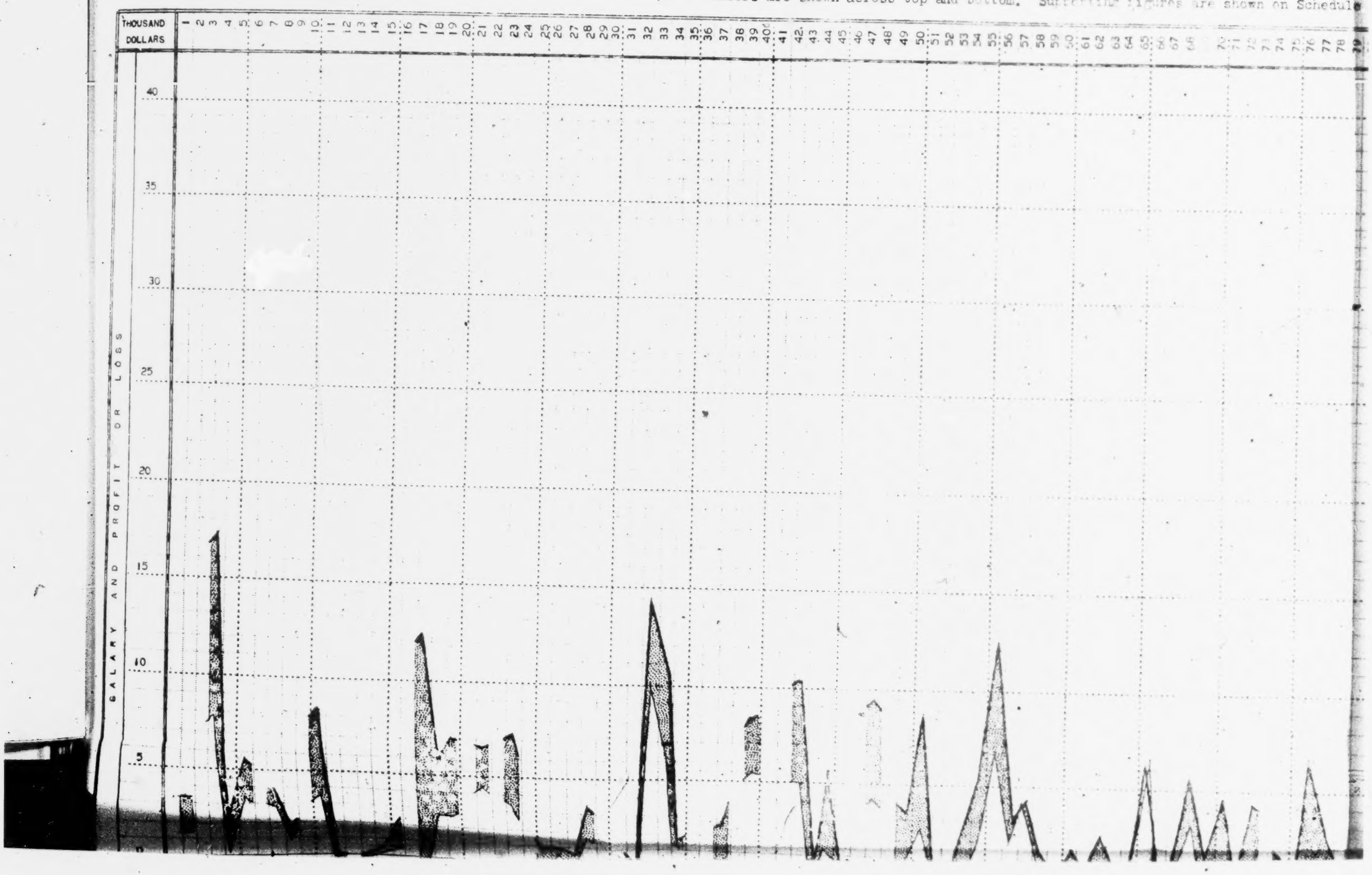


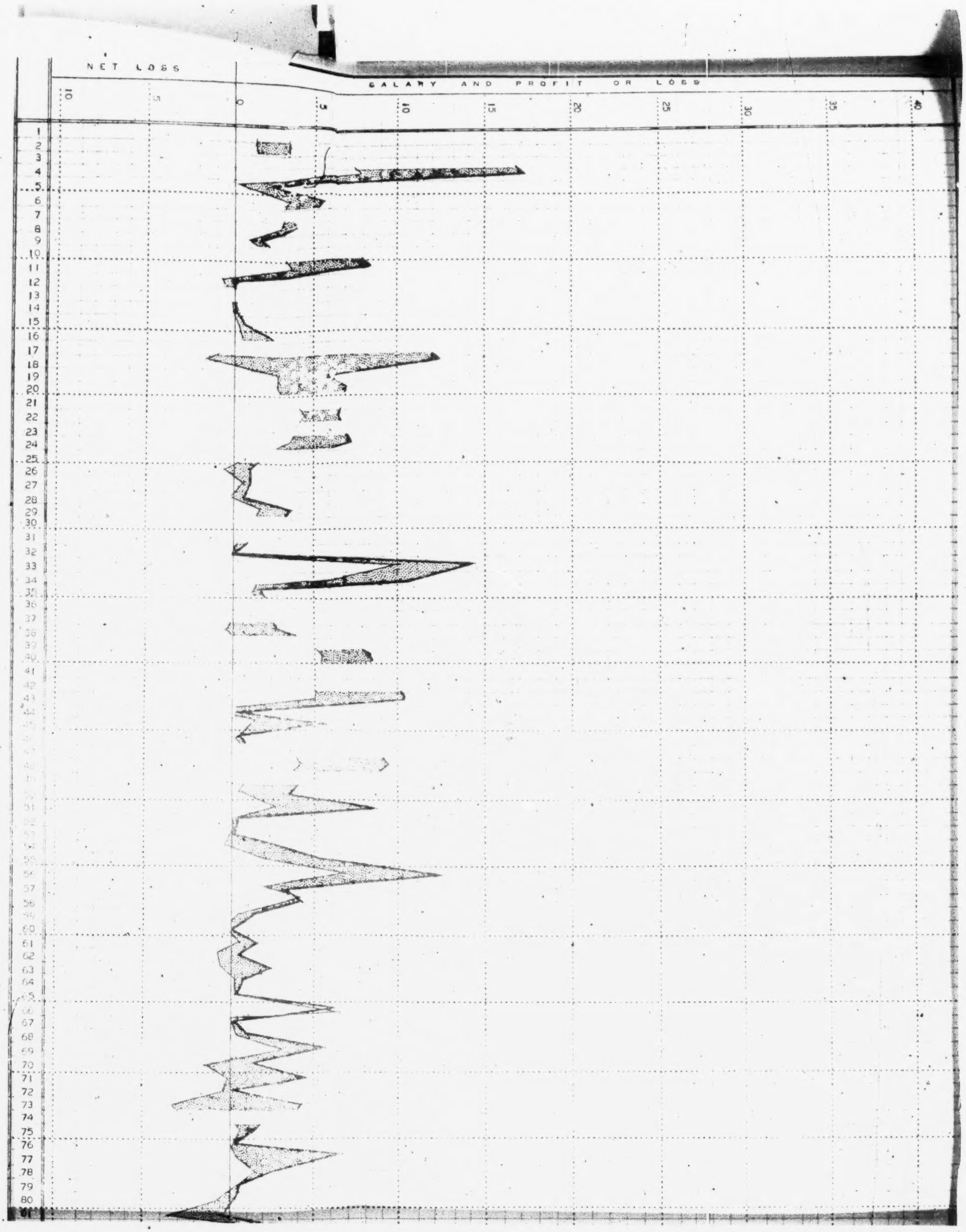

SALARY AND PROFIT OR LOSS
NET LOSS
35
30
25
20
15
10
5
0
5
10

HEAVY LINE - Under present rates
LIGHT LINE - Under Secretary's rates
DENSE AREA - Effect of rate reductions

OWNERS' SALARIES PLUS PROFIT (OR LE[illegible] RATES
as compared [illegible]
OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) [illegible] SECRETARY'S RATES
FOR THE FIRST FOUR MONTHS OF 1934

(Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule

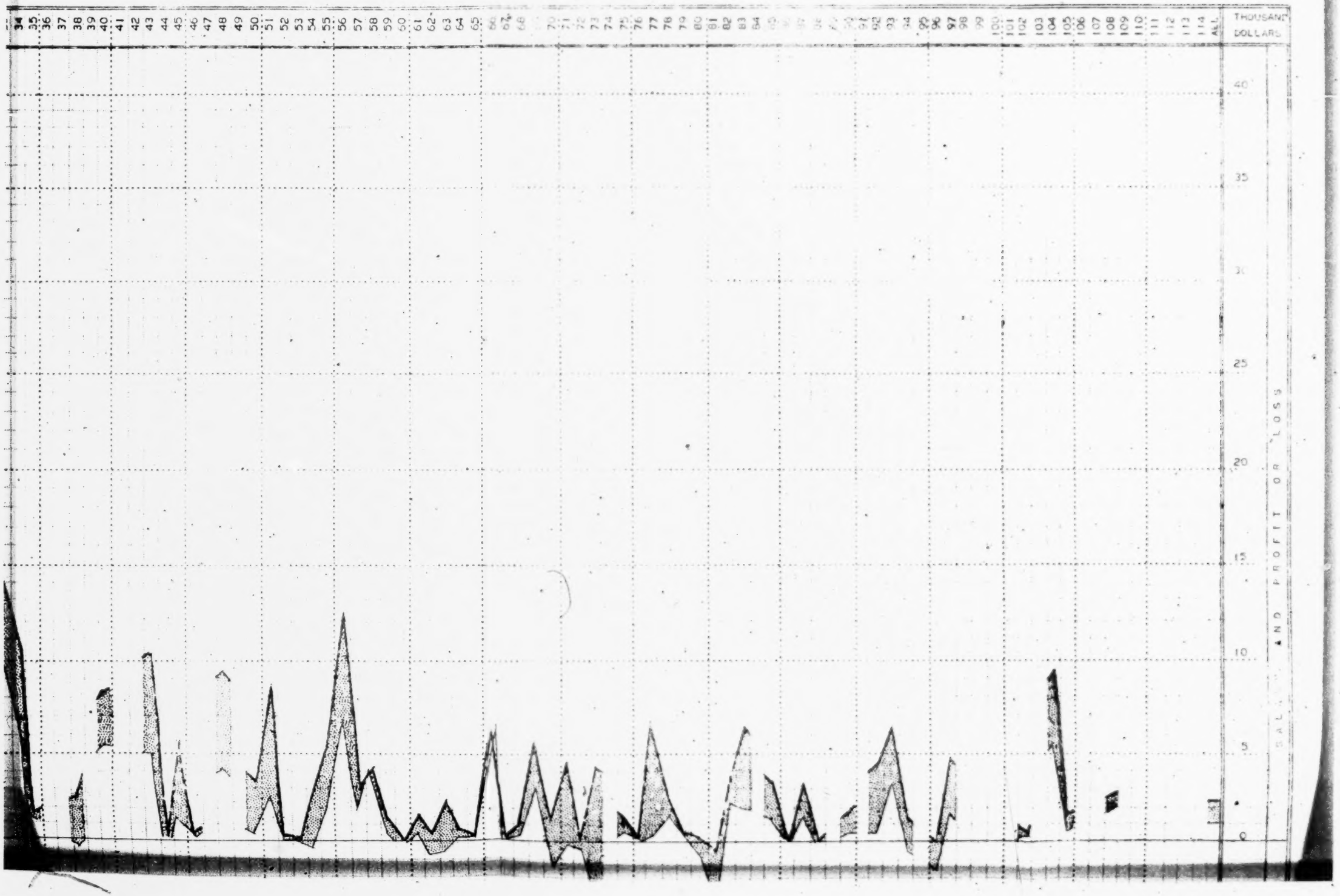


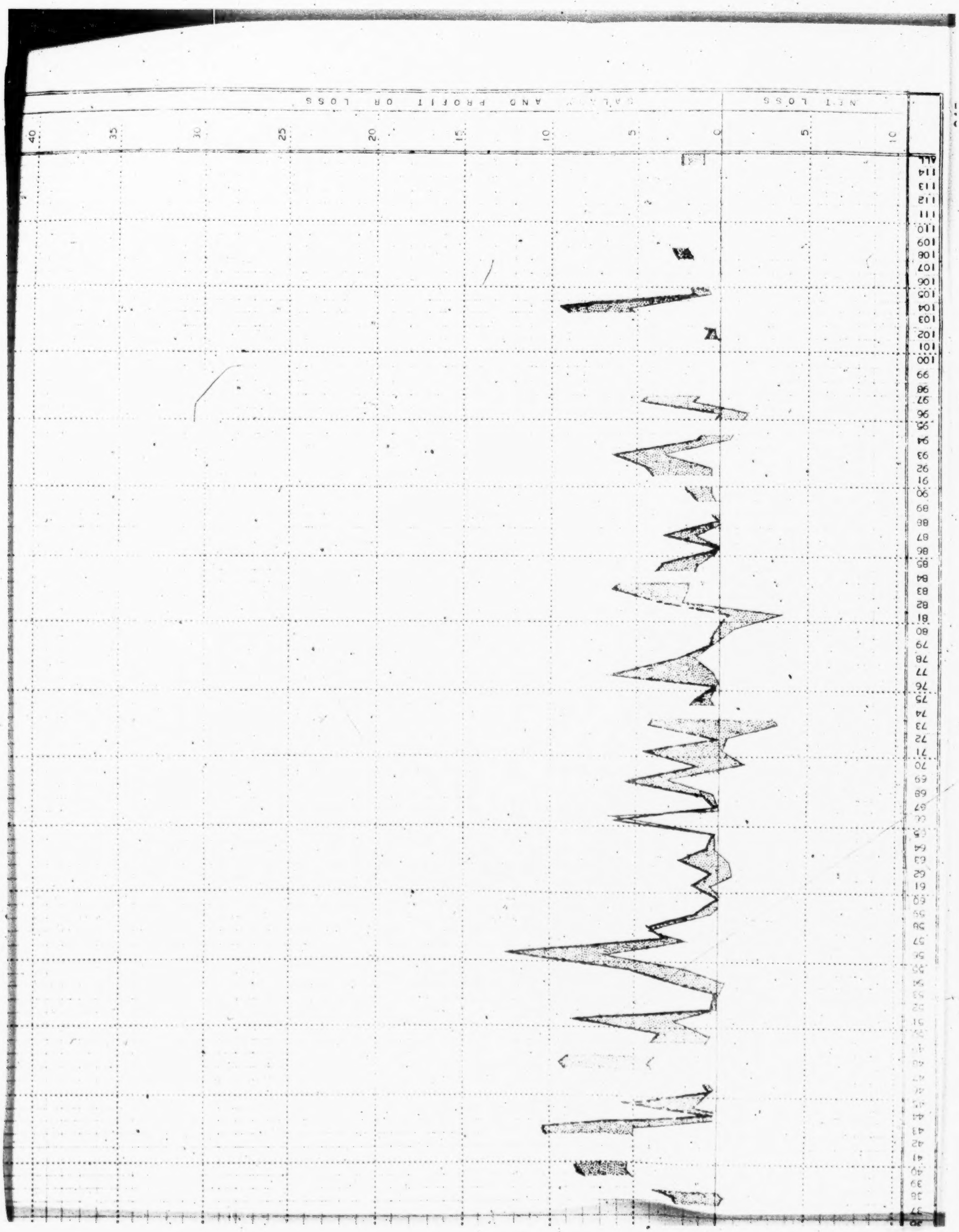

NET LOSS
SALARY AND PROFIT OR LOSS
10
5
0
5
10
15
20
25
30
35
40

OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER PERCENT RATES
as compared with
OWNERS' SALARIES PLUS PROFIT (OR LESS LOSS) UNDER SECRETARY'S RATES
FOR THE FIRST FOUR MONTHS OF 1934

Firm numbers are shown across top and bottom. Supporting figures are shown on Schedule No. 7)

SCHEDULE NO. 6




GAIN AND PROFIT OR LOSS
NET LOSS
40
35
30
25
20
15
10
5
0
5
10
ALL
114
113
112
111
110
109
108
107
106
105
104
103
102
101
100
99
98
97
96
95
94
93
92
91
90
89
88
87
86
85
84
83
82
81
80
79
78
77
76
75
74
73
72
71
70
69
68
67
66
65
64
63
62
61
60
59
58
57
56
55
54
53
52
51
50
49
48
47
46
45
44
43
42
41
40
39
38
37
36

Petitioners' Exhibit No. 8

INCLUDES "SELLING" SERVICE, ONLY.

COMPARISON OF COSTS OF OPERATIONS, WITH ACTUAL COMMISSIONS, AND WITH COMMISSIONS AS PER SECRETARY'S ORDER, SHOWING PE

ALL CHICAGO LIVE STOCK EXCHANVE FIRMS - FOR THE YEAR 1932

	SIZE OF CONSIGNMENT	NO. OF HEAD		ACTUAL COST		COMMISSIONS						
						ACTUAL		SECRETARY'S ORDER		INCREASE OR DECREASE		
		NO.	%	TOTAL COSTS	PER HEAD	TOTAL	PER HEAD	TOTAL	PER HEAD	TOTAL	PER HEAD	%
CATTLE	1 TO 5 HEAD	113 719	5.51	148 690	1.3075	100 251	.8816	80 389	.7069	19 862	.1747	19.81
	6 TO 10 "	94 318	4.57	114 641	1.2155	83 119	.8813	60 500	.6414	22 619	.2399	27.21
	11 TO 15 "	87 715	4.25	99 530	1.1347	86 609	.9874	56 332	.6422	30 277	.3452	34.96
	16 TO 20 "	141 374	6.85	147 482	1.0432	127 376	.9010	88 012	.6226	39 364	.2784	30.90
	21 TO 30 "	588 200	28.50	528 677	.8988	475 398	.8082	353 952	.6017	121 446	.2065	25.55
	31 & UP	1 038 535	50.32	811 955	.7818	713 494	.6870	551 769	.5313	161 725	.1557	22.67
	TOTAL	2 063 861	100.00	1 850 975	.8969	1 586 247	.7686	1 190 954	.5771	395 293	.1915	24.92
CALVES	1 TO 5 HEAD	72 764	20.40	44 325	.6092	28 537	.3922	24 971	.3432	3 566	.0490	12.50
	6 TO 10 "	35 562	9.97	20 148	.5666	13 950	.3923	10 456	.2940	3 494	.0983	25.05
	11 TO 15 "	26 859	7.53	14 305	.5326	10 542	.3925	7 907	.2944	2 635	.0981	24.99
	16 TO 20 "	21 758	6.10	10 678	.4908	8 544	.3927	6 233	.2865	2 311	.1062	27.05
	21 TO 30 "	35 562	9.97	14 708	.4136	13 950	.3923	9 196	.2586	4 754	.1337	34.08
	31 & UP "	164 182	46.03	59 637	.3632	47 057	.2866	37 426	.2280	9 631	.0586	20.47
	TOTAL	356 687	100.00	163 801	.4592	122 580	.3437	96 189	.2697	26 391	.0740	21.53
HOGS	1 TO 10 HEAD	189 220	4.96	92 699	.4899	56 475	.2985	46 345	.2449	10 130	.0536	17.94
	11 TO 20 "	214 398	5.62	73 496	.3428	63 911	.2981	51 125	.2385	12 786	.0596	20.01
	21 TO 30 "	183 498	4.81	56 279	.3067	54 616	.2976	42 887	.2337	11 729	.0639	21.48
	31 TO 50 "	317 020	8.31	79 065	.2494	92 856	.2929	64 519	.2035	28 337	.0894	30.52
	51 TO 70 "	603 138	15.81	135 585	.2248	140 568	.2331	104 072	.1726	36 496	.0605	25.96
	71 & UP "	2 307 643	60.49	450 465	.1952	476 762	.2066	319 890	.1386	156 872	.0680	32.90
	TOTAL	3 814 917	100.00	887 589	.2327	885 188	.2320	628 838	.1648	256 350	.0672	28.96
SHEEP	1 TO 10 HEAD	38 496	1.60	11 633	.3022	7 441	.1933	9 491	.2465	2 050	.0532	27.55
	11 TO 20 "	44 992	1.87	9 241	.2054	8 754	.1946	9 472	.2105	718	.0159	8.20
	21 TO 40 "	68 571	2.85	11 367	.1659	13 337	.1945	12 307	.1795	1 030	.0150	7.72
	41 TO 60 "	48 361	2.01	7 143	.1477	9 399	.1944	7 959	.1646	1 440	.0298	15.32
	61 TO 100 "	86 857	3.61	11 344	.1306	14 858	.1711	11 816	.1360	3 042	.0351	20.47
	101 & UP "	2 218 728	88.06	169 815	.0801	176 568	.0833	138 009	.0651	38 559	.0182	21.84
	TOTAL	2 406 005	100.00	220 543	.0917	230 357	.0957	189 054	.0786	41 303	.0171	17.93
ALL SPECIES		8 641 470		3 122 908	.3614	2 824 372	.3268	2 105 035	.2436	719 337	.0832	25.47

NOTE NO. 1: THE CLASSIFICATION OF VOLUME AS BETWEEN THE VARIOUS SIZES OF CONSIGNMENTS IS THE RESULT OF AN ACTUAL ANALYSIS.

	SIZE OF CONSIGNMENT	NO. OF HEAD		ACTUAL COST		COMMISSIONS						
						ACTUAL		SECRETARY'S ORDER		INCREASE OR DECREASE		
		NO.	%	TOTAL COSTS	PER HEAD	TOTAL	PER HEAD	TOTAL	PER HEAD	TOTAL	PER HEAD	%
CATTLE	1 TO 5 HEAD	113 719	5.51	148 690	1.3075	100 251	.8816	80 389	.7069	19 862	.1747	19.81
	6 TO 10 "	94 318	4.57	114 641	1.2155	83 119	.8813	60 500	.6414	22 619	.2399	27.21
	11 TO 15 "	87 715	4.25	99 530	1.1347	86 609	.9874	56 332	.6422	30 277	.3452	34.96
	16 TO 20 "	141 374	6.85	147 482	1.0432	127 376	.9010	88 012	.6226	39 364	.2784	30.90
	21 TO 30 "	588 200	28.50	528 677	.8988	475 398	.8082	353 952	.6017	121 446	.2065	25.55
	31 & UP	1 038 535	50.32	811 955	.7818	713 494	.6870	551 769	.5313	161 725	.1557	22.67
	TOTAL	2 063 861	100.00	1 850 975	.8969	1 586 247	.7686	1 190 954	.5771	395 293	.1915	24.92
CALVES	1 TO 5 HEAD	72 764	20.40	44 325	.6092	28 537	.3922	24 971	.3432	3 566	.0490	12.50
	6 TO 10 "	35 562	9.97	20 148	.5666	13 950	.3923	10 456	.2940	3 494	.0983	25.05
	11 TO 15 "	26 859	7.53	14 305	.5326	10 542	.3925	7 907	.2944	2 635	.0981	24.99
	16 TO 20 "	21 758	6.10	10 678	.4908	8 544	.3927	6 233	.2865	2 311	.1062	27.05
	21 TO 30 "	35 562	9.97	14 708	.4136	13 950	.3923	9 196	.2586	4 754	.1337	34.08
	31 & UP "	164 182	46.03	59 637	.3632	47 057	.2866	37 426	.2280	9 631	.0586	20.47
	TOTAL	356 687	100.00	163 801	.4592	122 580	.3437	96 189	.2697	26 391	.0740	21.53
HOGS	1 TO 10 HEAD	189 220	4.96	92 699	.4899	56 475	.2985	46 345	.2449	10 130	.0536	17.94
	11 TO 20 "	214 398	5.62	73 496	.3428	63 911	.2981	51 125	.2385	12 786	.0596	20.01
	21 TO 30 "	183 498	4.81	56 279	.3067	54 616	.2976	42 887	.2337	11 729	.0639	21.48
	31 TO 50 "	317 020	8.31	79 065	.2494	92 856	.2929	64 519	.2035	28 337	.0894	30.52
	51 TO 70 "	603 138	15.81	135 585	.2248	140 568	.2331	104 072	.1726	36 496	.0605	25.96
	71 & UP "	2 307 643	60.49	450 465	.1952	476 762	.2066	319 890	.1386	156 872	.0680	32.90
	TOTAL	3 814 917	100.00	887 589	.2327	885 188	.2320	628 838	.1648	256 350	.0672	28.96
SHEEP	1 TO 10 HEAD	38 496	1.60	11 633	.3022	7 441	.1933	9 491	.2465	2 050	.0532	27.55
	11 TO 20 "	44 992	1.87	9 241	.2054	8 754	.1946	9 472	.2105	718	.0159	8.20
	21 TO 40 "	68 571	2.85	11 367	.1659	13 337	.1945	12 307	.1795	1 030	.0150	7.72
	41 TO 60 "	48 361	2.01	7 143	.1477	9 399	.1944	7 959	.1646	1 440	.0298	15.32
	61 TO 100 "	86 857	3.61	11 344	.1306	14 858	.1711	11 816	.1360	3 042	.0351	20.47
	101 & UP "	2 218 728	88.06	169 815	.0801	176 568	.0833	138 009	.0651	38 559	.0182	21.84
	TOTAL	2 406 005	100.00	220 543	.0917	230 357	.0957	189 054	.0786	41 303	.0171	17.93
ALL SPECIES		8 641 470		3 122 908	.3614	2.824 372	.3268	2 105 035	.2436	719 337	.0832	25.47

NOTE NO. 1: THE CLASSIFICATION OF VOLUME AS BETWEEN THE VARIOUS SIZES OF CONSIGNMENTS IS THE RESULT OF AN ACTUAL ANALYSIS.

NOTE NO. 2: THE CLASSIFICATION OF ACTUAL COMMISSIONS AND THOSE UNDER THE SECRETARY'S ORDER AS BETWEEN THE VARIOUS SIZES OF CONSIGNMENTS ARE BO
RATES TO THE VOLUME ANALYSIS.

NOTE NO. 3: THE CLASSIFICATION OF COSTS AS BETWEEN THE VARIOUS SIZES OF CONSIGNMENTS IS A RESULT OF SPECIAL TIME-STUDIES AND COST STUDIES MADE

NOTE NO. 4: THE SEPARATION OF COSTS AS BETWEEN CATTLE AND CALVES, WHICH WERE ORIGINALLY COMBINED BECAUSE THESE TWO SPECIES ARE HANDLED IN THE
WAS MADE ACCORDING TO THE SAME RELATIONSHIP RECOGNIZED BY THE SECRETARY WHEN HE BASED THE PRESCRIBED COMMISSION RATES ON HIS SO-CA

Petitioners' Exhibit No. 8

PREPARED BY – E. D. MUDD, CONSULTING ACCOUNTANT,
FOR THE CHICAGO LIVE STOCK EXCHANGE.

WITH ACTUAL COMMISSIONS, AND WITH COMMISSIONS AS PER SECRETARY'S ORDER, SHOWING PROFITS OR LOSSES UNDER BOTH.

ALL CHICAGO LIVE STOCK EXCHANVE FIRMS - FOR THE YEAR 1932

L COST		COMMISSIONS							PROFITS OR LOSSES					
		ACTUAL		SECRETARY'S ORDER		INCREASE OR DECREASE			ACTUAL			SECRETARY'S ORDER		
	PER HEAD	TOTAL	PER HEAD	TOTAL	PER HEAD	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%	TOTAL	PER HEAD	%
590	1.3075	100 251	.8816	80 389	.7069	19 862	.1747	19.81	48 439	.4260	32.58	68 301	.6006	45.94
541	1.2155	83 119	.8813	60 500	.6414	22 619	.2399	27.21	31 522	.3342	27.50	54 141	.5740	47.23
530	1.1347	86 609	.9874	56 332	.6422	30 277	.3452	34.96	12 921	.1473	12.98	43 198	.4925	43.40
482	1.0432	127 376	.9010	88 012	.6226	39 364	.2784	30.90	20 106	.1422	13.63	59 470	.4207	40.32
577	.8988	475 398	.8082	353 952	.6017	121 446	.2065	25.55	53 279	.0906	10.08	174 725	.2971	33.05
385	.7818	713 494	.6870	551 769	.5313	161 725	.1557	22.67	98 461	.0948	12.13	260 186	.2505	32.04
975	.8969	1 586 247	.7686	1 190 954	.5771	395 293	.1915	24.92	264 728	.1283	14.30	660 021	.3198	35.66
325	.6092	28 537	.3922	24 971	.3432	3 566	.0490	12.50	15 788	.2170	35.62	19 354	.2660	43.66
148	.5666	13 950	.3923	10 456	.2940	3 494	.0983	25.05	6 198	.1743	30.76	9 692	.2725	48.10
305	.5326	10 542	.3925	7 907	.2944	2 635	.0981	24.99	3 763	.1401	26.31	6 398	.2382	44.73
678	.4908	8 544	.3927	6 233	.2865	2 311	.1062	27.05	2 134	.0981	19.99	4 445	.2043	41.63
708	.4136	13 950	.3923	9 196	.2586	4 754	.1337	34.08	758	.0213	5.15	5 512	.1550	37.48
687	.3632	47 057	.2866	37 426	.2280	9 631	.0586	20.47	12 580	.0766	21.09	22 211	.1353	37.24
801	.4592	122 580	.3437	96 189	.2697	26 391	.0740	21.53	41 221	.1156	25.17	67 612	.1896	41.28
699	.4899	56 475	.2985	46 345	.2449	10 130	.0536	17.94	36 224	.1914	39.08	46 354	.2450	50.00
496	.3428	63 911	.2981	51 125	.2385	12 786	.0596	20.01	9 585	.0447	13.04	22 371	.1043	30.44
279	.3067	54 616	.2976	42 887	.2337	11 729	.0639	21.48	1 663	.0091	2.95	13 392	.0730	23.80
065	.2494	92 856	.2929	64 519	.2035	28 337	.0894	30.52	13 791	.0435	17.44	14 546	.0459	18.40
585	.2248	140 568	.2331	104 072	.1726	36 496	.0605	25.96	4 983	.0083	3.68	31 513	.0522	23.24
465	.1952	476 762	.2066	319 890	.1386	156 872	.0680	32.90	26 297	.0114	5.84	130 575	.0566	28.99
589	.2327	885 188	.2320	628 838	.1648	256 350	.0672	28.96	2 401	.0006	.27	258 751	.0678	29.15
683	.3022	7 441	.1933	9 491	.2465	2 050	.0532	27.55	4 192	.1089	36.04	2 142	.0556	18.41
241	.2054	8 754	.1946	9 472	.2105	718	.0159	8.20	487	.0108	5.27	231	.0051	2.50
367	.1659	13 337	.1945	12 307	.1795	1 030	.0150	7.72	1 970	.0287	17.33	940	.0137	8.27
143	.1477	9 399	.1944	7 959	.1646	1 440	.0298	15.32	2 256	.0466	31.58	816	.0169	11.42
344	.1306	14 858	.1711	11 816	.1360	3 042	.0351	20.47	3 514	.0405	30.98	472	.0054	4.16
815	.0801	176 568	.0833	138 009	.0651	38 559	.0182	21.84	6 753	.0032	3.98	31 806	.0150	18.73
543	.0917	230 357	.0957	189 054	.0786	41 303	.0171	17.93	9 814	.0041	4.45	31 489	.0131	14.28
908	.3614	2 824 372	.3268	2 105 035	.2436	719 337	.0832	25.47	298 536	.0345	9.56	1 017 873	.1178	32.59

BETWEEN THE VARIOUS SIZES OF CONSIGNMENTS IS THE RESULT OF AN ACTUAL ANALYSIS.

... RESULTS ARE BOTH A RESULT OF AN ACTUAL APPLICATION OF THE RESPECTIVE

COST PER HEAD	COMMISSIONS ACTUAL TOTAL	COMMISSIONS ACTUAL PER HEAD	COMMISSIONS SECRETARY'S ORDER TOTAL	COMMISSIONS SECRETARY'S ORDER PER HEAD	INCREASE OR DECREASE TOTAL	INCREASE OR DECREASE PER HEAD	INCREASE OR DECREASE %	PROFITS OR LOSSES ACTUAL TOTAL	PROFITS OR LOSSES ACTUAL PER HEAD	PROFITS OR LOSSES ACTUAL %	PROFITS OR LOSSES SECRETARY'S ORDER TOTAL	PROFITS OR LOSSES SECRETARY'S ORDER PER HEAD	PROFITS OR LOSSES SECRETARY'S ORDER %
1.3075	100 251	.8816	80 389	.7069	19 862	.1747	19.81	48 439	.4260	32.58	68 301	.6006	45.94
1.2155	83 119	.8813	60 500	.6414	22 619	.2399	27.21	31 522	.3342	27.50	54 141	.5740	47.23
1.1347	86 609	.9874	56 332	.6422	30 277	.3452	34.96	12 921	.1473	12.98	43 198	.4925	43.40
1.0432	127 376	.9010	88 012	.6226	39 364	.2784	30.90	20 106	.1422	13.63	59 470	.4207	40.32
.8988	475 398	.8082	353 952	.6017	121 446	.2065	25.55	53 279	.0906	10.08	174 725	.2971	33.05
.7818	743 494	.6870	551 769	.5313	161 725	.1557	22.67	98 461	.0948	12.13	260 186	.2505	32.04
.8969	1 586 247	.7686	1 190 954	.5771	395 293	.1915	24.92	264 728	.1283	14.30	660 021	.3198	35.66
.6092	28 537	.3922	24 971	.3432	3 566	.0490	12.50	15 788	.2170	35.62	19 354	.2660	43.66
.5666	13 950	.3923	10 456	.2940	3 494	.0983	25.05	6 198	.1743	30.76	9 692	.2725	48.10
.5326	10 542	.3925	7 907	.2944	2 635	.0981	24.99	3 763	.1401	26.31	6 398	.2382	44.73
.4908	8 544	.3927	6 233	.2865	2 311	.1062	27.05	2 134	.0981	19.99	4 445	.2043	41.63
.4136	13 950	.3923	9 196	.2586	4 754	.1337	34.08	758	.0213	5.15	5 512	.1550	37.48
.3632	47 057	.2866	37 426	.2280	9 631	.0586	20.47	12 580	.0766	21.09	22 211	.1353	37.24
.4592	122 580	.3437	96 189	.2697	26 391	.0740	21.53	41 221	.1156	25.17	67 612	.1896	41.28
.4899	56 475	.2985	46 345	.2449	10 130	.0536	17.94	36 224	.1914	39.08	46 354	.2450	50.00
.3428	63 911	.2981	51 125	.2385	12 786	.0596	20.01	9 585	.0447	13.04	22 371	.1043	30.44
.3067	54 616	.2976	42 887	.2337	11 729	.0639	21.48	1 663	.0091	2.95	13 392	.0730	23.80
.2494	92 856	.2929	64 519	.2035	28 337	.0894	30.52	13 791	.0435	17.44	14 546	.0459	18.40
.2248	140 568	.2331	104 072	.1726	36 496	.0605	25.96	4 983	.0083	3.68	31 513	.0522	23.24
.1952	476 762	.2066	319 890	.1386	156 872	.0680	32.90	26 297	.0114	5.84	130 575	.0566	28.99
.2327	885 188	.2320	628 838	.1648	256 350	.0672	28.96	2 401	.0006	.27	258 751	.0678	29.15
.3022	7 441	.1933	9 491	.2465	2 050	.0532	27.55	4 192	.1089	36.04	2 142	.0556	18.41
.2054	8 754	.1946	9 472	.2105	718	.0159	8.20	487	.0108	5.27	231	.0051	2.50
.1659	13 337	.1945	12 307	.1795	1 030	.0150	7.72	1 970	.0287	17.33	940	.0137	8.27
.1477	9 399	.1944	7 959	.1646	1 440	.0298	15.32	2 256	.0466	31.58	816	.0169	11.42
.1306	14 858	.1711	11 816	.1360	3 042	.0351	20.47	3 514	.0405	30.98	472	.0054	4.16
.0801	176 568	.0833	138 009	.0651	38 559	.0182	21.84	6 753	.0032	3.98	31 806	.0150	18.73
.0917	230 357	.0957	189 054	.0786	41 303	.0171	17.93	9 814	.0041	4.45	31 489	.0131	14.28
.3614	2 824 372	.3268	2 105 035	.2436	719 337	.0832	25.47	298 536	.0345	9.56	1 017 873	.1178	32.59

TWEEN THE VARIOUS SIZES OF CONSIGNMENTS IS THE RESULT OF AN ACTUAL ANALYSIS.

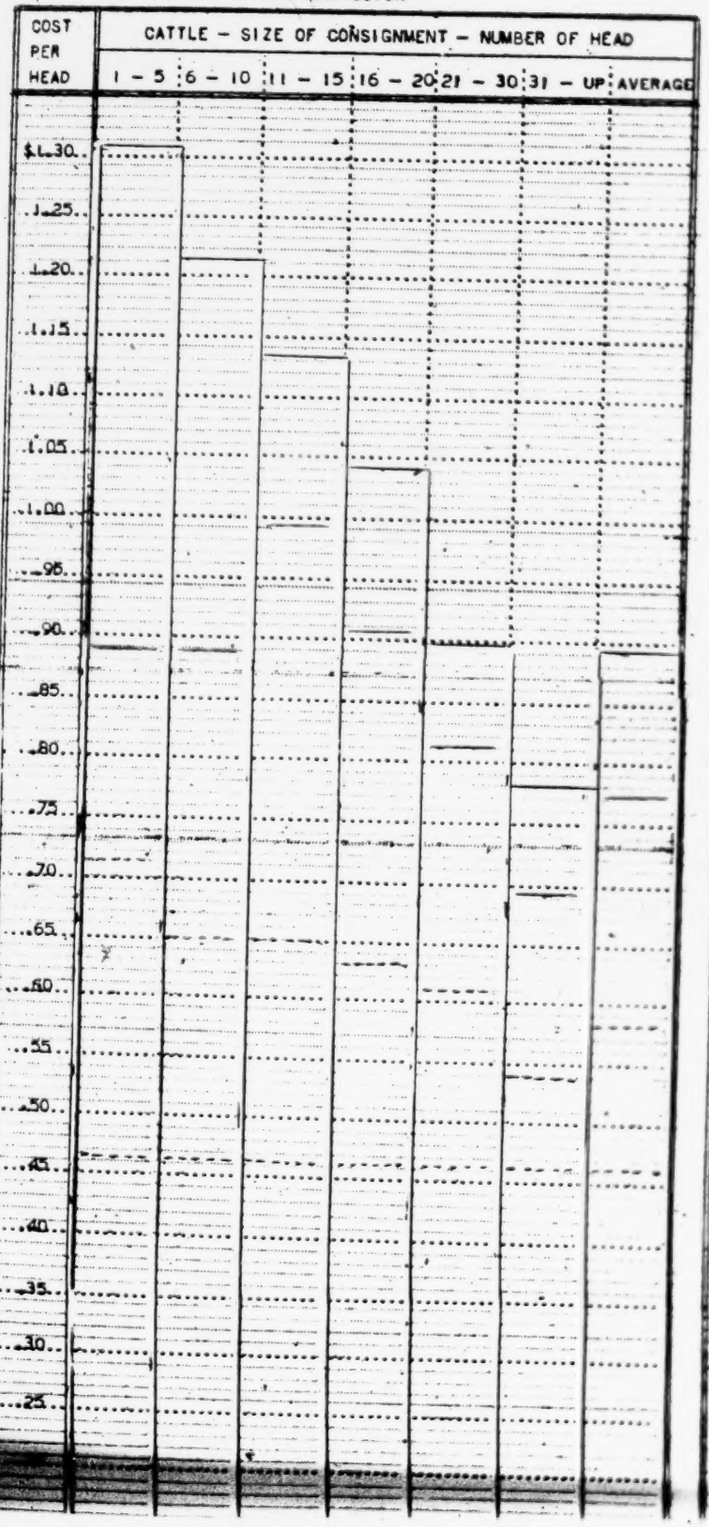
SSIONS AND THOSE UNDER THE SECRETARY'S ORDER AS BETWEEN THE VARIOUS SIZES OF CONSIGNMENTS ARE BOTH A RESULT OF AN ACTUAL APPLICATION OF THE RESPECTIVE

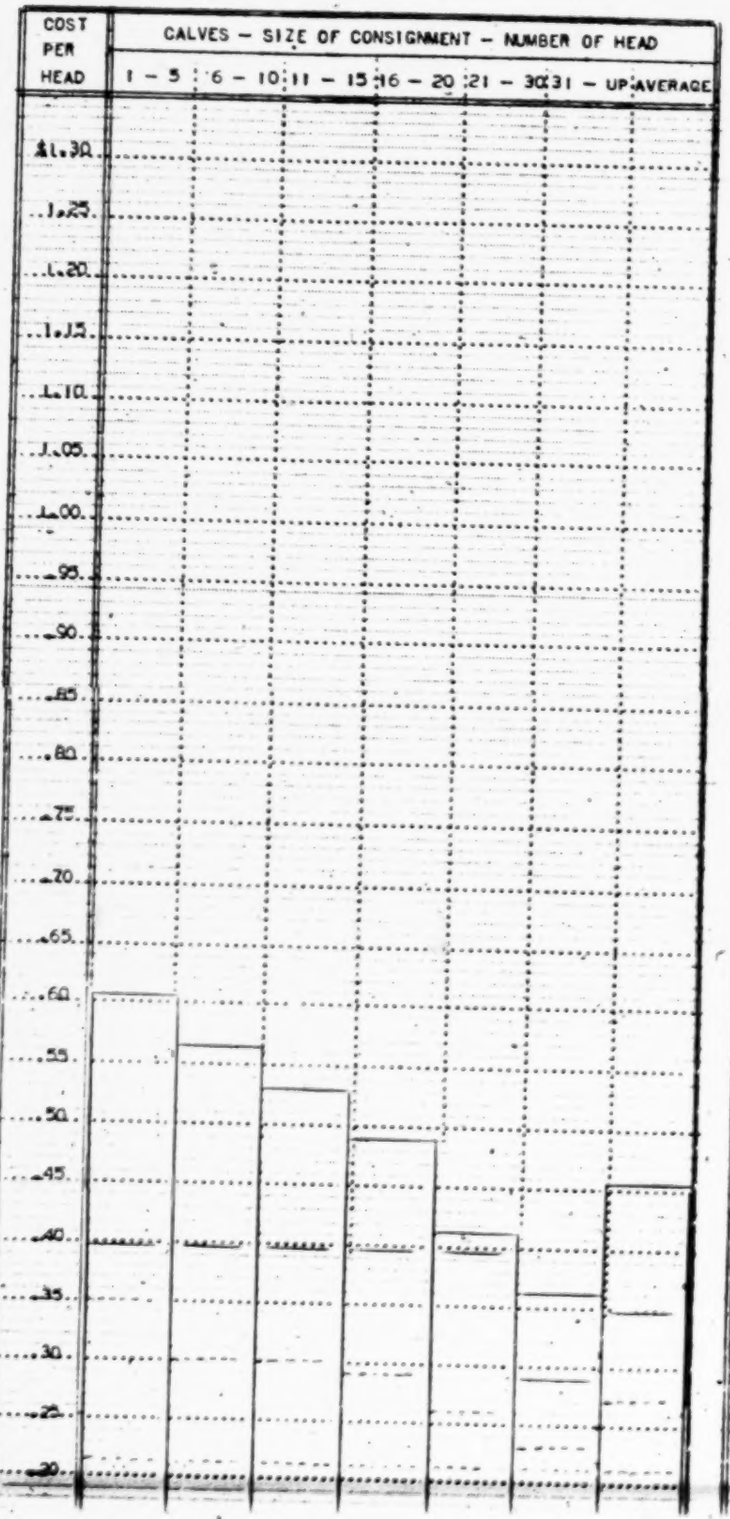
WEEN THE VARIOUS SIZES OF CONSIGNMENTS IS A RESULT OF SPECIAL TIME-STUDIES AND COST STUDIES MADE DURING AND FOR THE YEAR 1932.

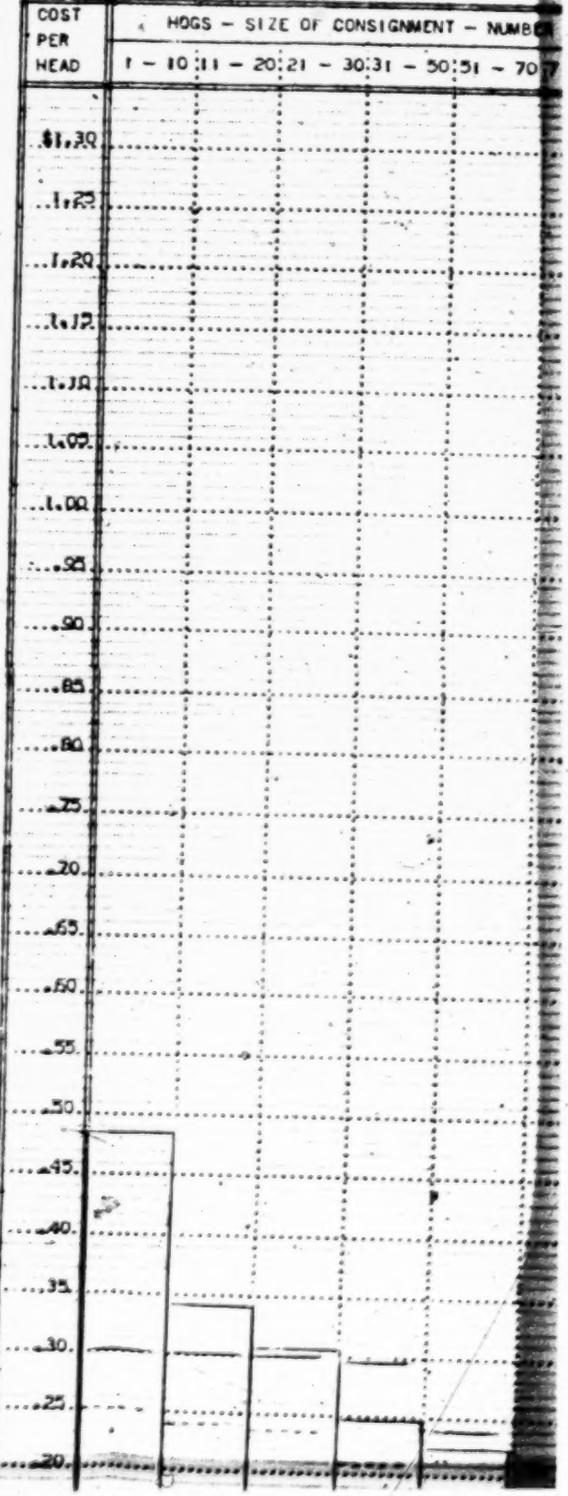
CATTLE AND CALVES, WHICH WERE ORIGINALLY COMBINED BECAUSE THESE TWO SPECIES ARE HANDLED IN THE SAME DIVISION OF THE YARDS,
ATIONSHIP RECOGNIZED BY THE SECRETARY WHEN HE BASED THE PRESCRIBED COMMISSION RATES ON HIS SO-CALLED REASONABLE COSTS.

RELATIVE COST (PER HEAD) OF SELLING CONSIGNMENTS OF VA
AS COMPARED WITH COMMISSIONS RECEIVE
ALL CHICAGO LIVE STOCK EXCHANGE FIRMS - FOR THE YEAR 1939

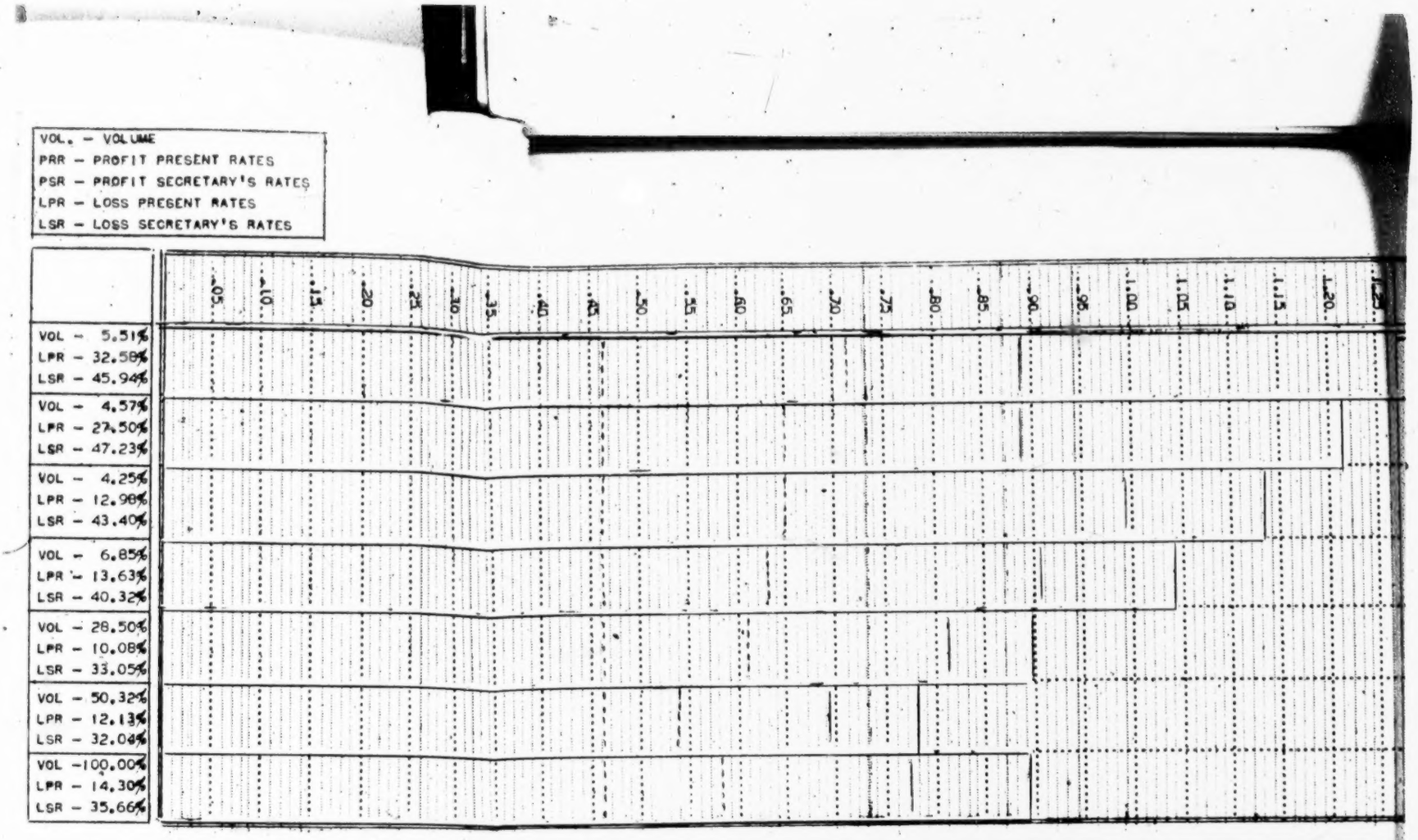
——— RESPONDENTS' ACTUAL COST
– – – – SECRETARY'S REASONABLE COST
——— PRESENT COMMISSIONS
– – – – SECRETARY'S ORDER COMMISSION







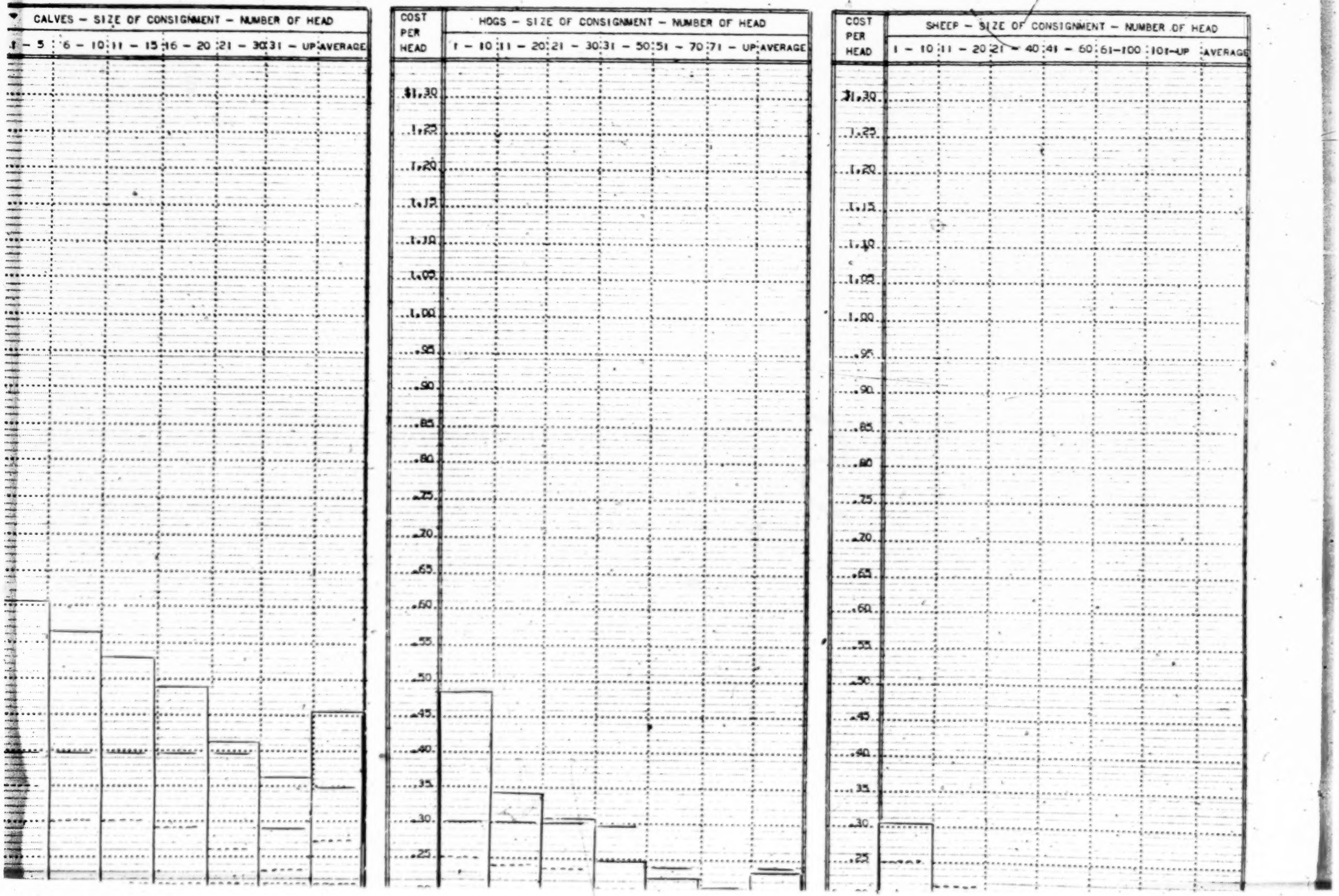
VOL. – VOLUME
PRR – PROFIT PRESENT RATES
PSR – PROFIT SECRETARY'S RATES
LPR – LOSS PRESENT RATES
LSR – LOSS SECRETARY'S RATES

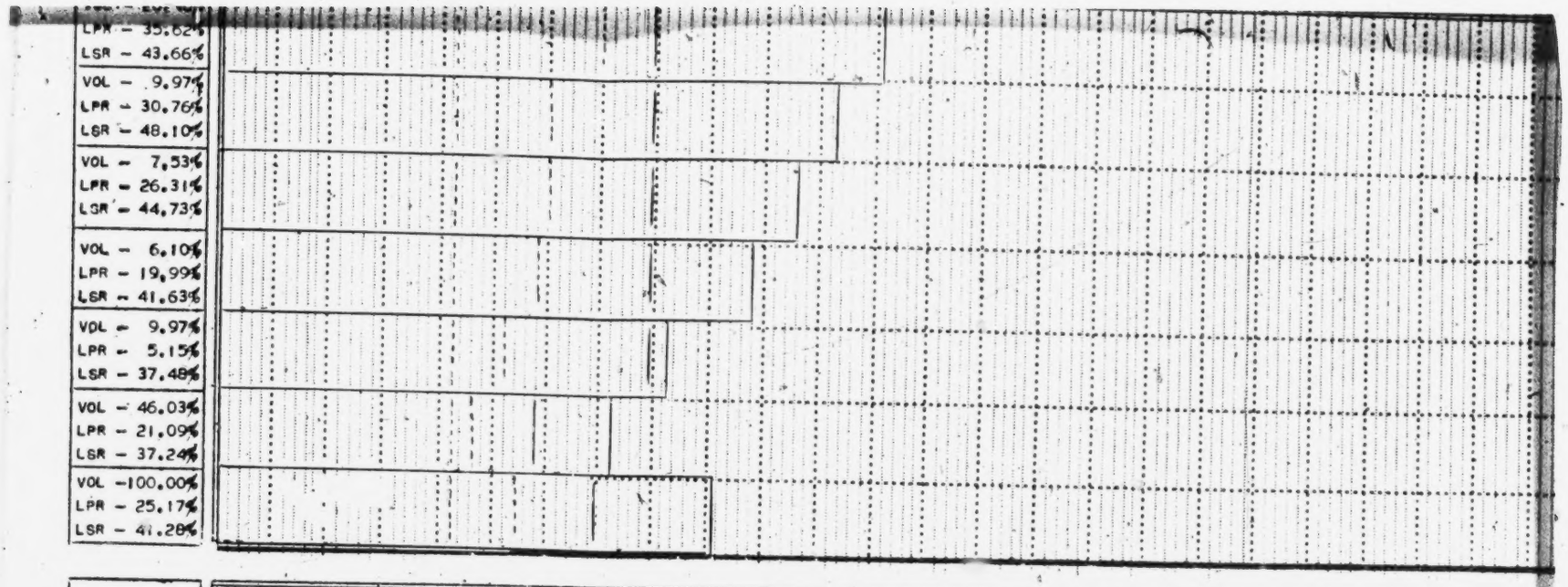


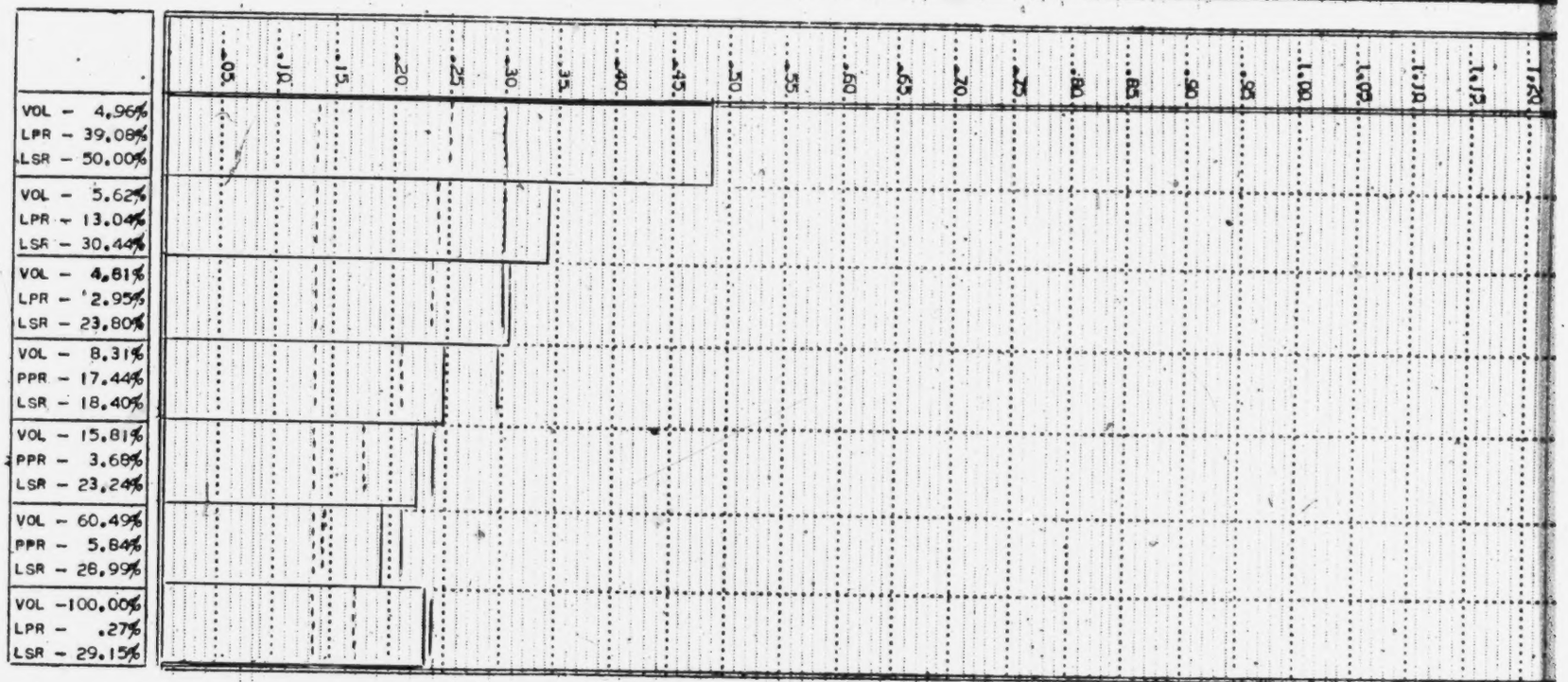
PREPARED BY - EARLE D. MUDD, CONSULTING ACCOUNTANT
FOR THE CHICAGO LIVE STOCK EXCHANGE

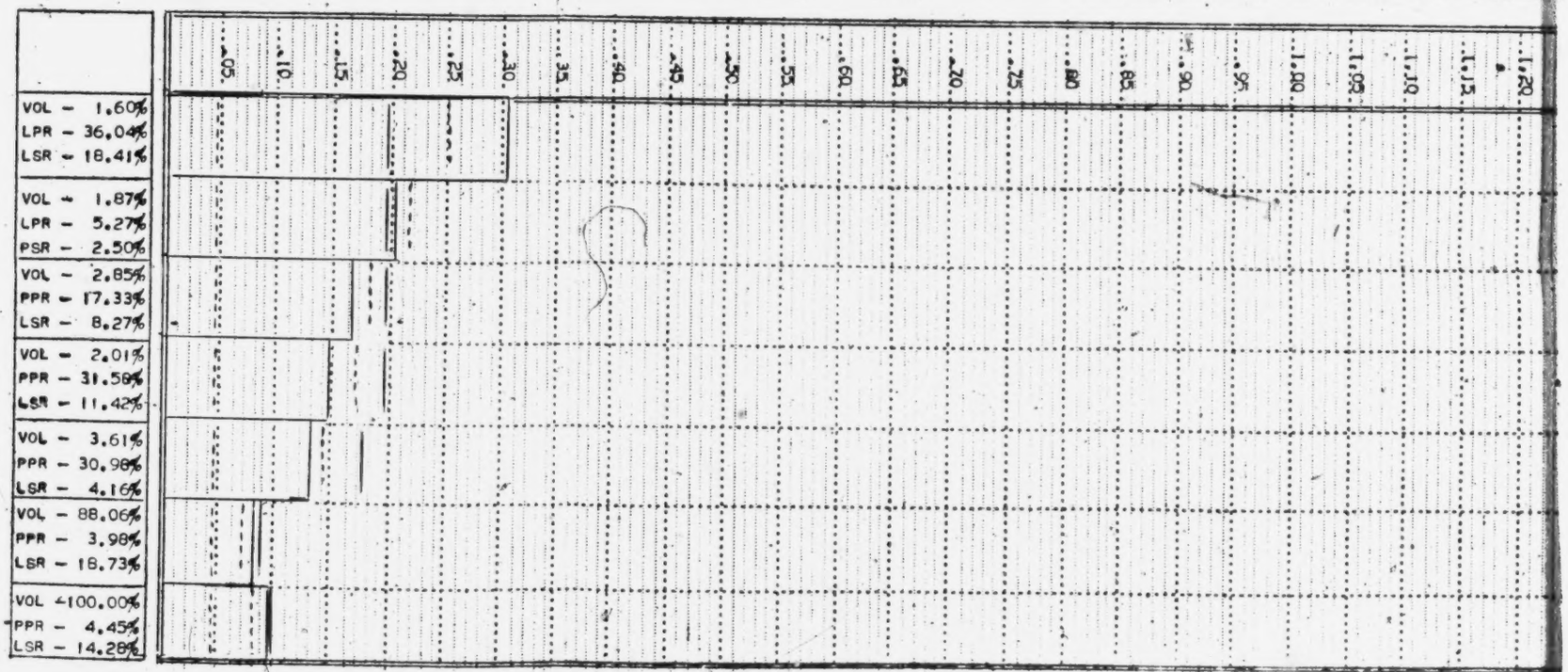
COST (PER HEAD) OF SELLING CONSIGNMENTS OF VARIOUS SIZES AS COMPARED WITH COMMISSIONS RECEIVED

ALL CHICAGO LIVE STOCK EXCHANGE FIRMS - FOR THE YEAR 1932




LPR – 35.62%
LSR – 43.66%
VOL – 9.97%
LPR – 30.76%
LSR – 48.10%
VOL – 7.53%
LPR – 26.31%
LSR – 44.73%
VOL – 6.10%
LPR – 19.99%
LSR – 41.63%
VOL – 9.97%
LPR – 5.15%
LSR – 37.48%
VOL – 46.03%
LPR – 21.09%
LSR – 37.24%
VOL –100.00%
LPR – 25.17%
LSR – 41.28%


VOL – 4.96%
LPR – 39.08%
LSR – 50.00%
VOL – 5.62%
LPR – 13.04%
LSR – 30.44%
VOL – 4.81%
LPR – 12.95%
LSR – 23.80%
VOL – 8.31%
PPR – 17.44%
LSR – 18.40%
VOL – 15.81%
PPR – 3.68%
LSR – 23.24%
VOL – 60.49%
PPR – 5.84%
LSR – 28.99%
VOL –100.00%
LPR – .27%
LSR – 29.15%

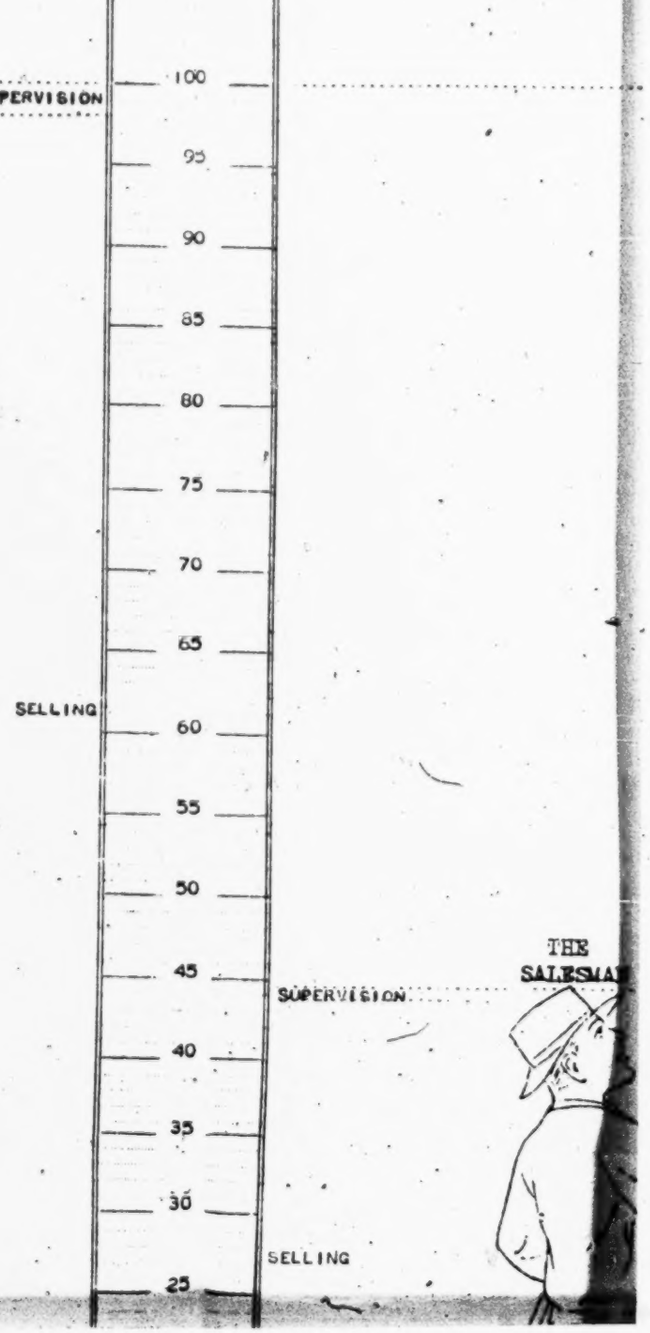

VOL – 1.60%
LPR – 36.04%
LSR – 18.41%
VOL – 1.87%
LPR – 5.27%
PSR – 2.50%
VOL – 2.85%
PPR – 17.33%
LSR – 8.27%
VOL – 2.01%
PPR – 31.58%
LSR – 11.42%
VOL – 3.61%
PPR – 30.98%
LSR – 4.16%
VOL – 88.06%
PPR – 3.98%
LSR – 18.73%
VOL –100.00%
PPR – 4.45%
LSR – 14.28%

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

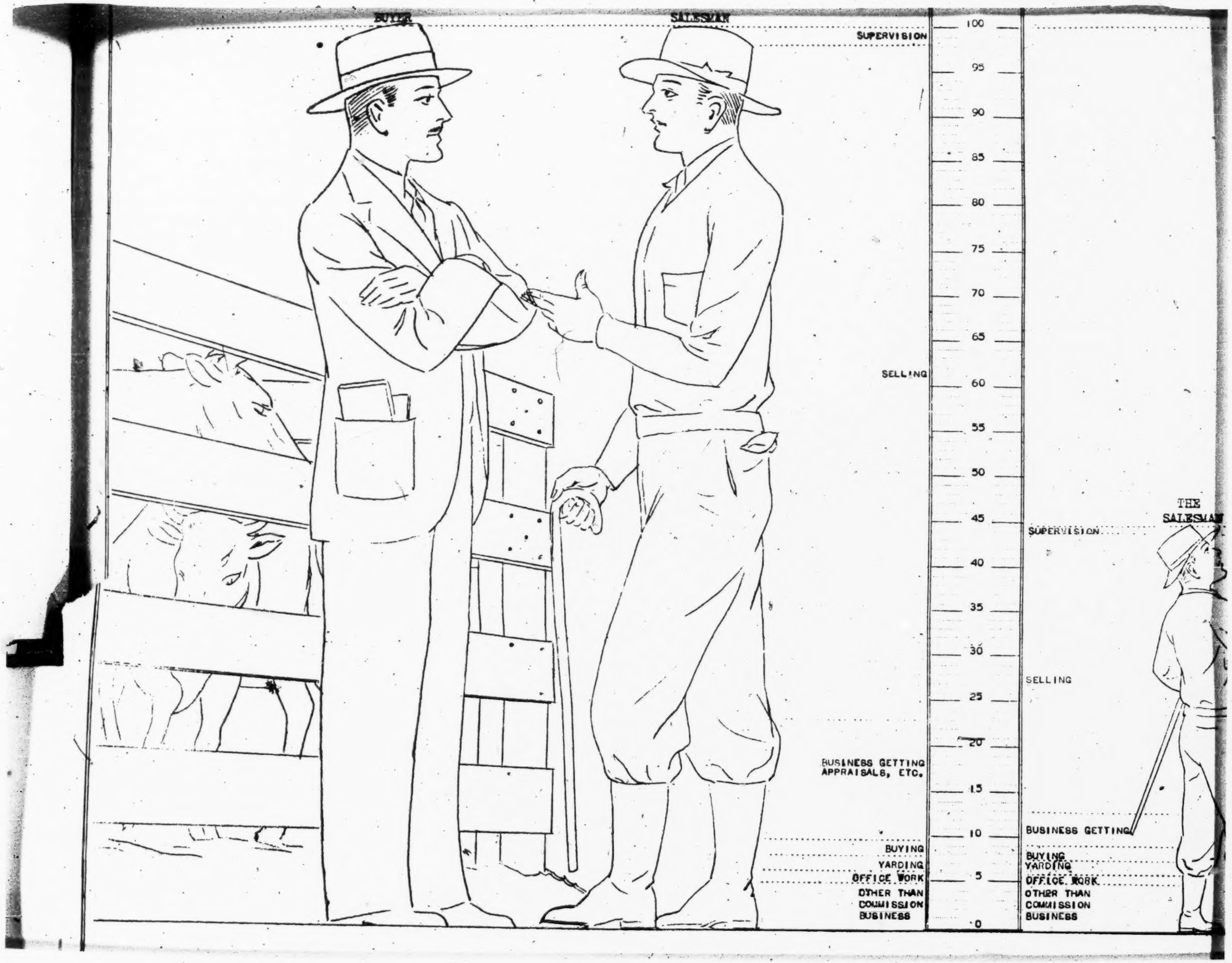
THE CATTLE SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES
as compared with
THE CATTLE SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDER

THE CATTLE SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES

FUNCTIONAL PERCENTS



THE CATTLE SA

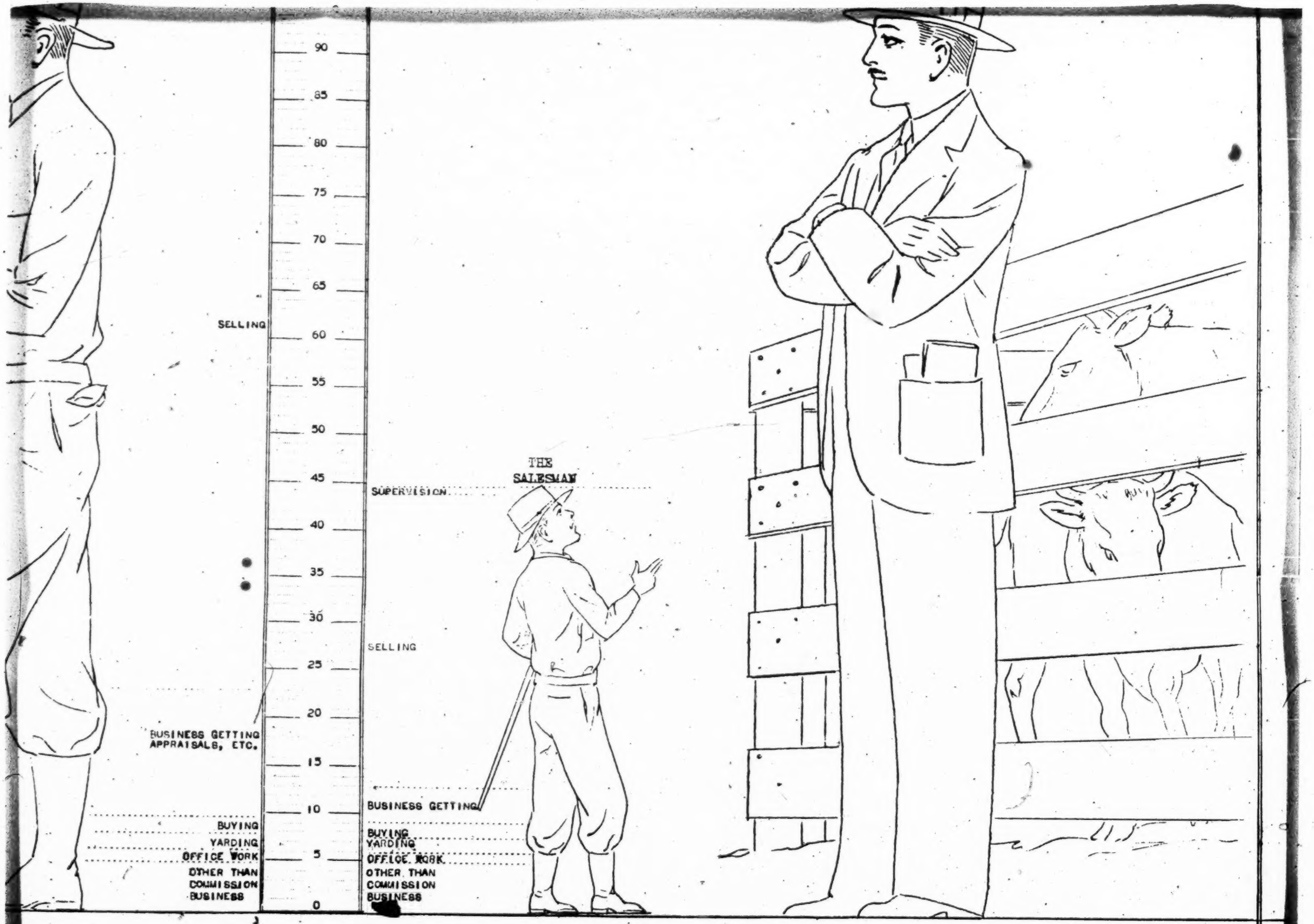

BUYER
SALESMAN
SUPERVISION
SELLING
BUSINESS GETTING APPRAISALS, ETC.
BUYING
YARDING
OFFICE WORK
OTHER THAN COMMISSION BUSINESS
100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
THE SALESMAN
SUPERVISION
SELLING
BUSINESS GETTING
BUYING
YARDING
OFFICE WORK
OTHER THAN COMMISSION BUSINESS

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

Petitioners' Exhibit No. 9
Witness, Earle D. Mudd.

THE CATTLE SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES
as compared with
LE SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDERED RATES

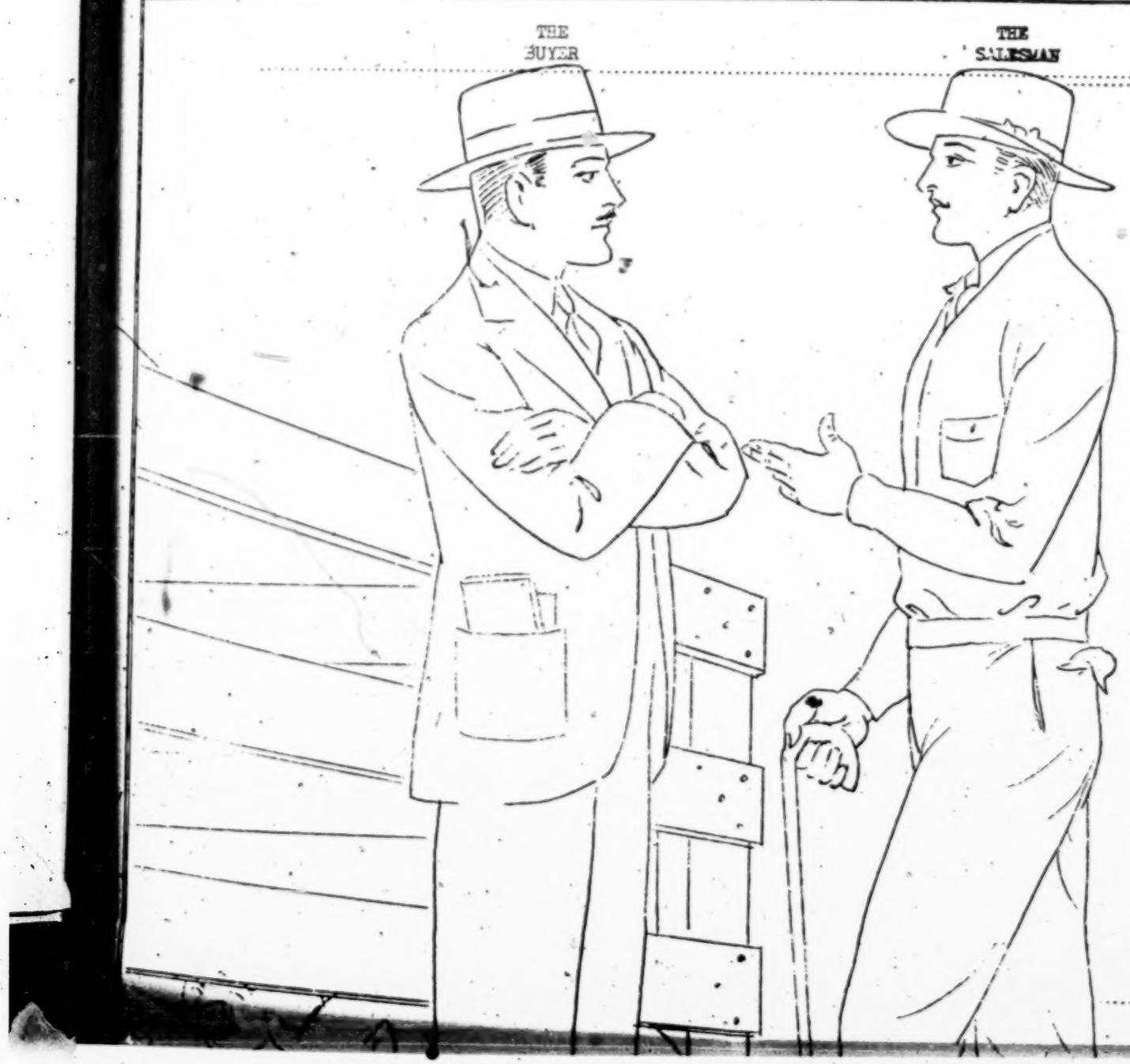
SCHEDULE NO. 1-a


90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
SELLING
BUSINESS GETTING
APPRAISALS, ETC.
BUYING
YARDING
OFFICE WORK
OTHER THAN
COMMISSION
BUSINESS
THE
SALESMAN
SUPERVISION
SELLING
BUSINESS GETTING
BUYING
YARDING
OFFICE WORK
OTHER THAN
COMMISSION
BUSINESS

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

THE HOG SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES
as compared with
THE HOG SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDERED RA

THE HOG SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES

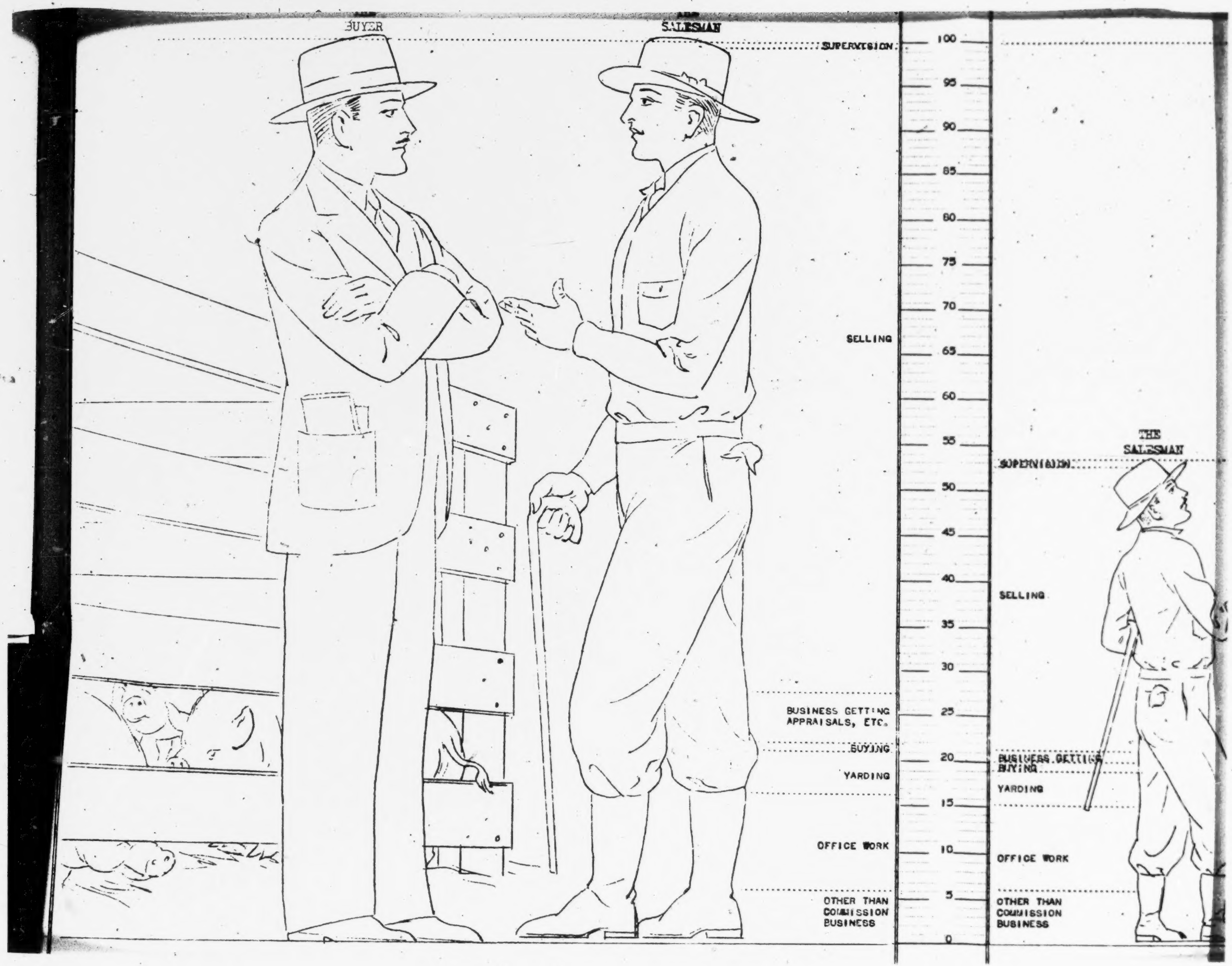


FUNCTIONAL PERCENTS

SUPERVISION 100 95 90 85 80 75 70 SELLING 65 60 55 50 45 40 35 30 25 BUSINESS GETTING APPRAISALS, ETC.

THE HOG SALE

THE SALESMAN
SUPERVISION
SELLING

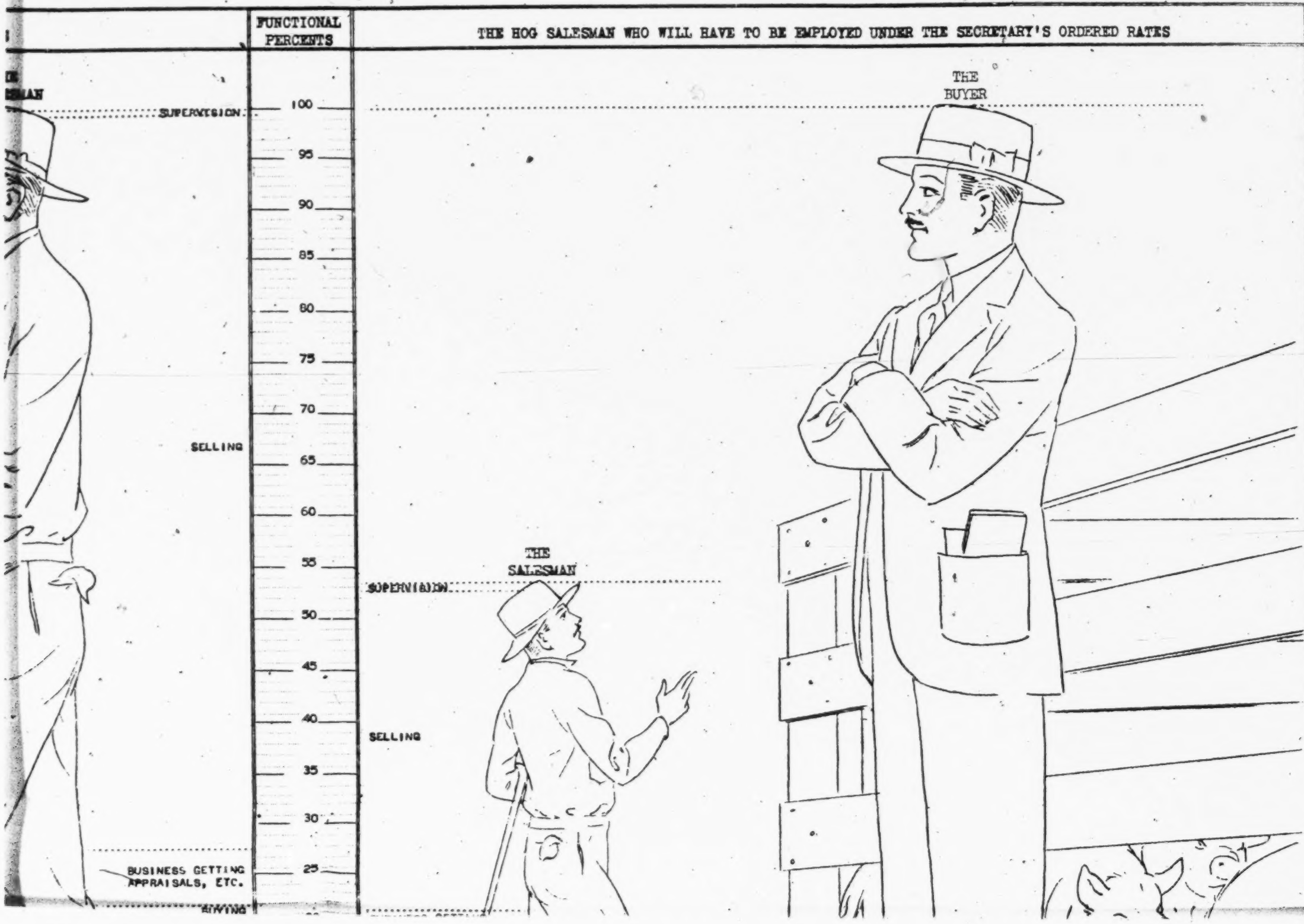

BUYER
SALESMAN
SUPERVISION
SELLING
BUSINESS GETTING
APPRAISALS, ETC.
BUYING
YARDING
OFFICE WORK
OTHER THAN
COMMISSION
BUSINESS
100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
THE
SALESMAN
SUPERVISION
SELLING
BUSINESS GETTING
BUYING
YARDING
OFFICE WORK
OTHER THAN
COMMISSION
BUSINESS

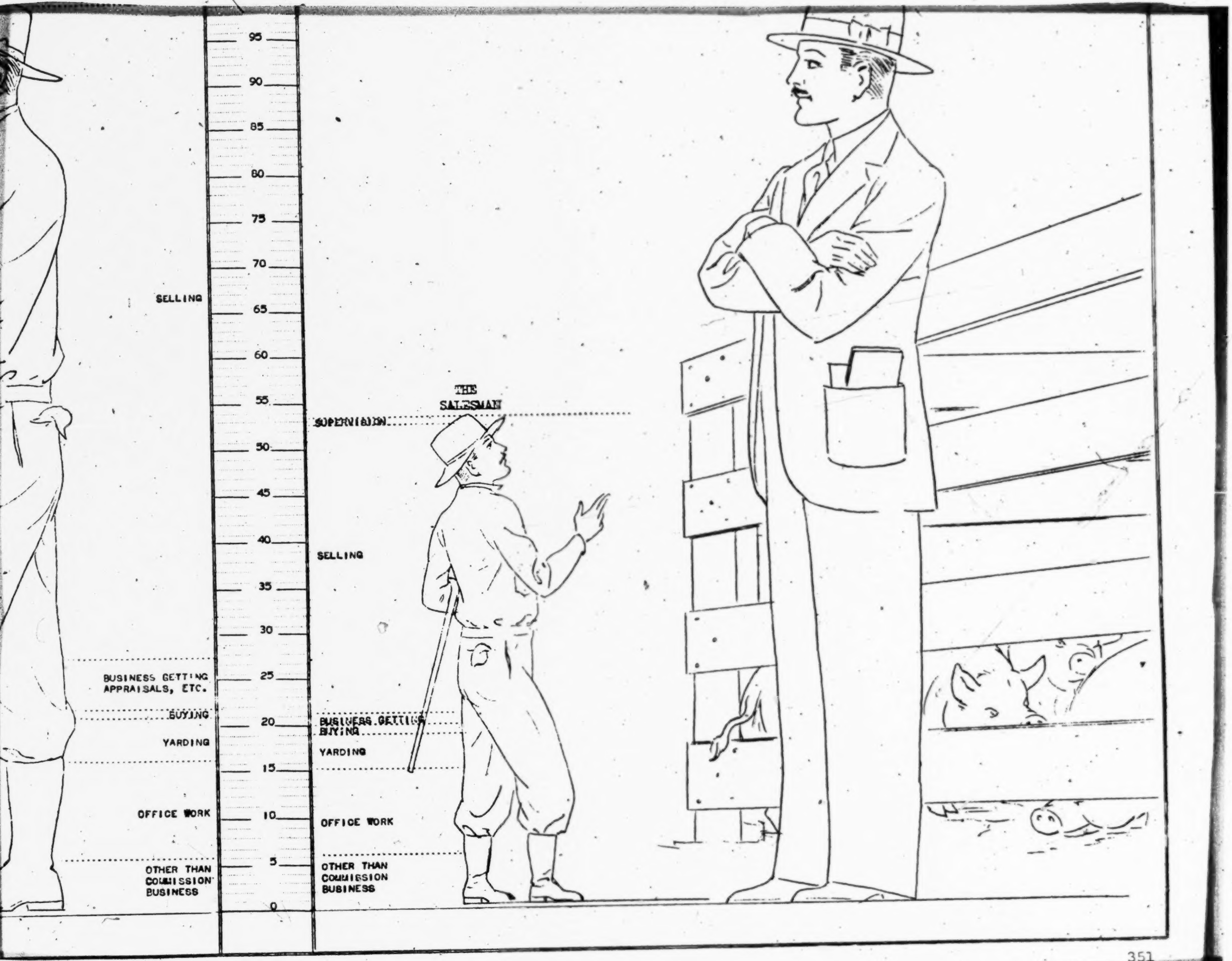
IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

Petitioners' Exhibit No._____
Witness, Earle D. Mudd

THE HOG SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES
as compared with
SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDERED RATES

SCHEDULE NO. 1-b




95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
SELLING
BUSINESS GETTING
APPRAISALS, ETC.
BUYING
YARDING
OFFICE WORK
OTHER THAN
COMMISSION
BUSINESS
THE
SALESMAN
SUPERVISION
SELLING
BUSINESS GETTING
BUYING
YARDING
OFFICE WORK
OTHER THAN
COMMISSION
BUSINESS

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISIO
IN EQUITY NO. 13,829

THE SHEEP SALESMAN EMPLOYED UNDER PRESENT COMMISSION RA
as compared with
THE SHEEP SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETA

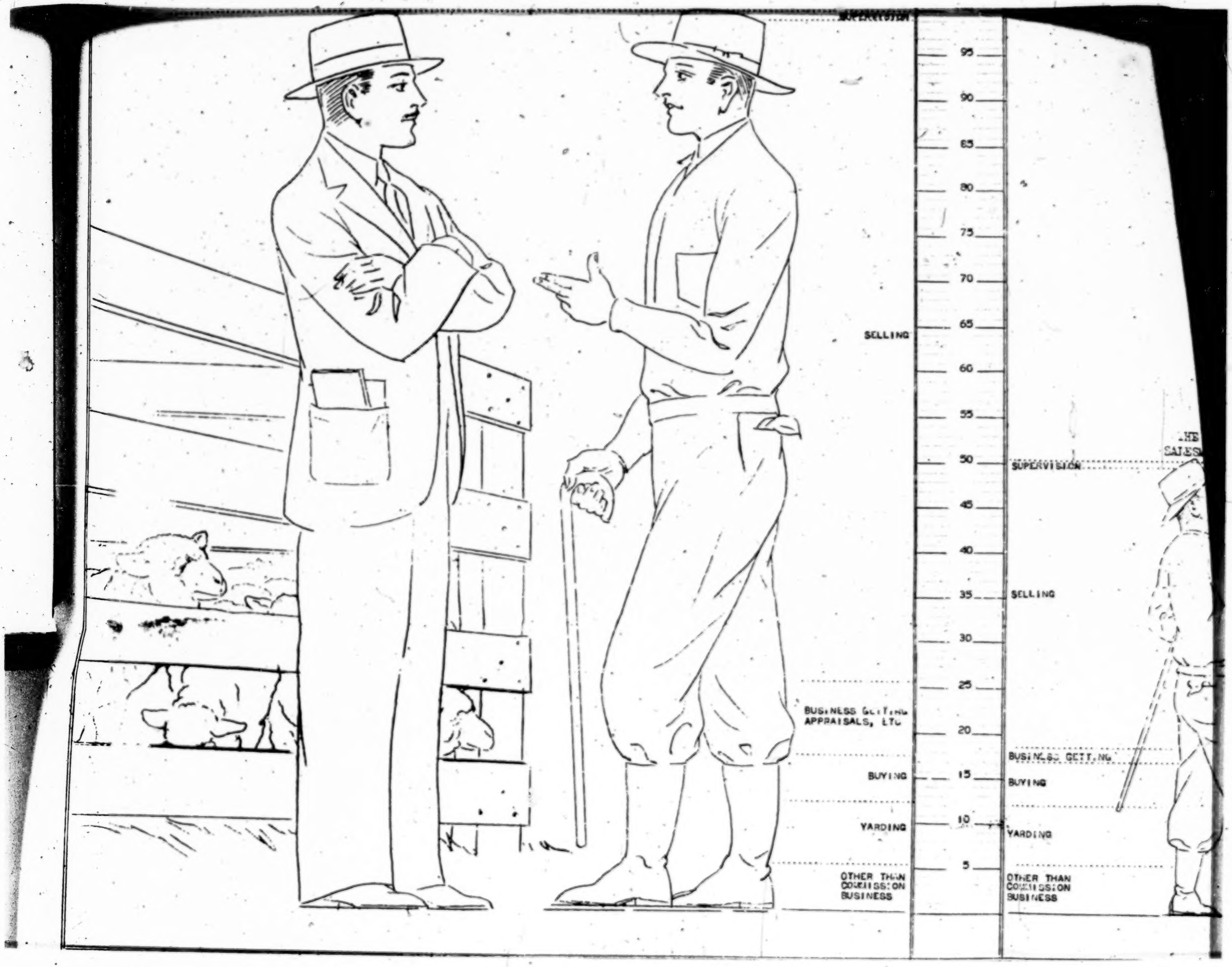
THE SHEEP SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES

FUNCTIONAL PERCENTS

THE SHEEP

SUPERVISION
SELLING
SUPERVISION
SELLING
BUSINESS GETTING APPRAISALS, ETC

100
95
90
85
80
75
70
65
60
55
50
45
40
35
30
25
20

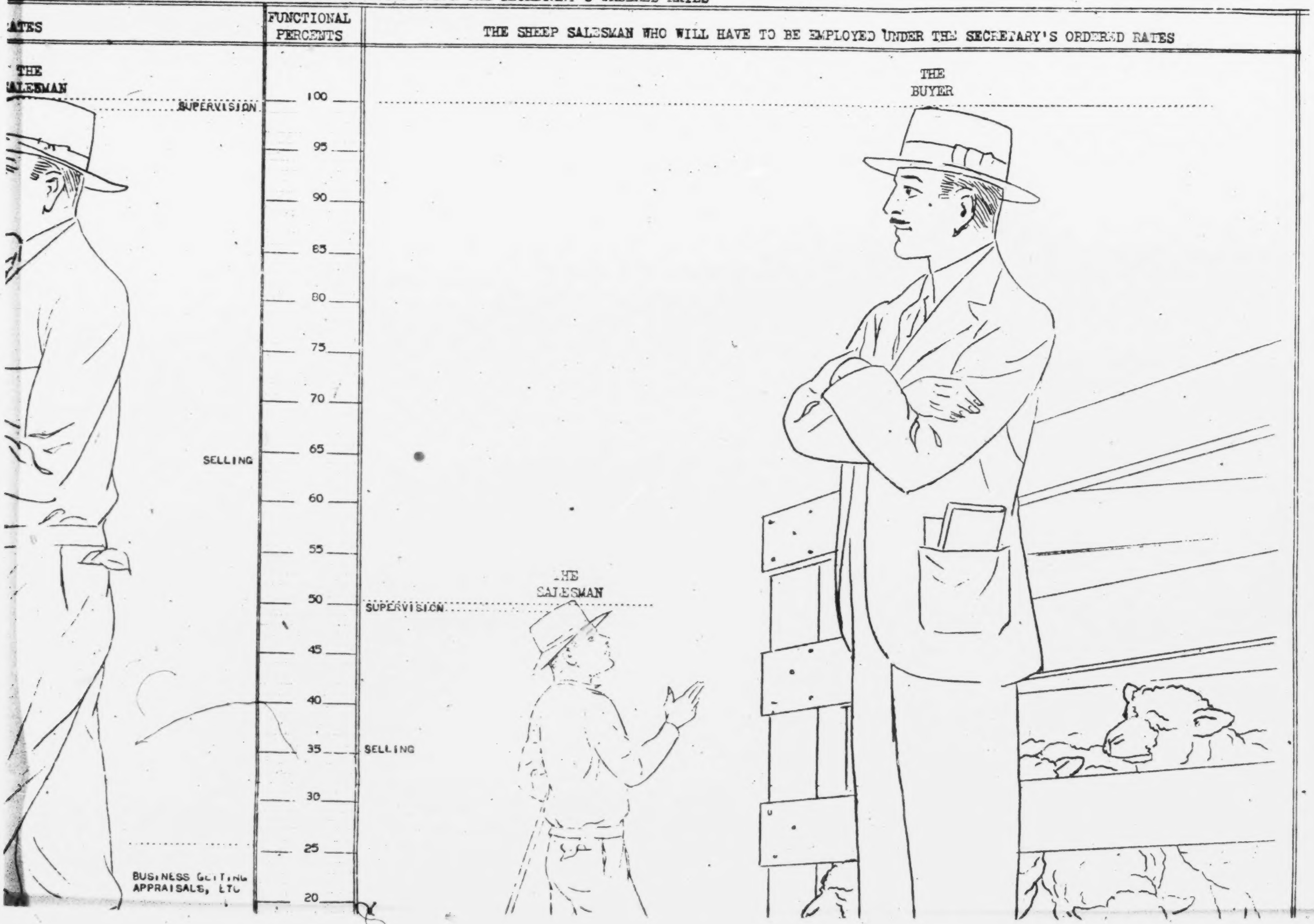

SUPERVISION
95
90
85
80
75
70
SELLING
65
60
55
50
SUPERVISION
45
40
35
SELLING
30
25
BUSINESS GETTING
APPRAISALS, ETC
20
BUSINESS GETTING
BUYING
15
BUYING
YARDING
10
YARDING
5
OTHER THAN
COMMISSION
BUSINESS
OTHER THAN
COMMISSION
BUSINESS

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

Petitioners' Exhibit No._____
Witness, Earle D. Mudd.

THE SHEEP SALESMAN EMPLOYED UNDER PRESENT COMMISSION RATES
as compared with
THE SHEEP SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDERED RATES

SCHEDULE NO. 1-c



95
90
85
80
75
70
SELLING
65
60
55
50
45
40
35
30
25
20
15
10
5

SUPERVISION
SELLING
BUSINESS GETTING APPRAISALS, ETC
BUSINESS GETTING
BUYING
YARDING
OTHER THAN COMMISSION BUSINESS

THE SALESMAN

SUPERVISION
SELLING
BUSINESS GETTING
BUYING
YARDING
OTHER THAN COMMISSION BUSINESS

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

COMPARISON OF THE ACTUAL SALESMAN AS EMPLOYED BY PETITIONERS WITH THE REDUCED SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDER

EXPLANATION	TOTAL	DISTRIBUTION					
		SUPERVISION	SELLING	BUSINESS GETTING	BUYING	YARDING	
CATTLE & CALVES							
PETITIONERS' COST PER HEAD —	—	$ .0298	$ .4024	$ .1440	—	$ .0847	$
SECRETARY'S REASONABLE COST PER HEAD — ORDER JANY. 8, 1934	—	$ .0150	$ .1667	$ .0390	—	$ .0725	$
PERCENT OF SECY'S REASONABLE COST TO PETITIONERS' ACTUAL COST		50.34%	41.43%	27.08%	—	85.60%	
FUNCTIONAL DISTRIBUTION OF ALL SALESMEN'S SALARIES —	$1 263 690.23	$24 922.72	$ 950 371.60	$ 167 512.39	$ 20 866.23	$ 23 858.77	$ 16
FUNCTIONAL PERCENTS — SERVICE RENDERED BY SALESMEN —	100.00%	1.97%	75.21%	13.25%	1.65%	1.89%	1
FUNCTIONAL PERCENTS — SALESMAN AFTER REDUCED BY SECRETARY —	44.85%	.99%	31.16%	3.59%	1.65%	1.62%	1
HOGS							
PETITIONERS' COST PER HEAD —	—	$ .0080	$ .0938	$ .0435	—	$ .0332	$
SECRETARY'S REASONABLE COST PER HEAD — ORDER JANY. 8, 1934	—	$ .0055	$ .0414	$ .0120	—	$ .0280	$
PERCENT OF SECY'S REASONABLE COST TO PETITIONERS' ACTUAL COST	—	68.75%	44.14%	27.59%	—	84.34%	86.
FUNCTIONAL DISTRIBUTION OF ALL SALESMEN'S SALARIES —	$ 467 061.49	$ 1 660.00	$ 335 882.99	$ 54 584.83	$ 2 619.13	$ 22 479.50	$ 22
FUNCTIONAL PERCENTS — SERVICE RENDERED BY SALESMEN —	100.00%	0.35%	71.91%	5.68%	0.56%	4.82%	10.
FUNCTIONAL PERCENTS — SALESMAN AFTER REDUCED BY SECRETARY —	53.37%	0.24%	31.74%	1.57%	0.56%	4.07%	9.
SHEEP							
PETITIONERS' COST PER HEAD —	—	$ .0059	$ .0351	$ .0209	—	$ .0089	$
SECRETARY'S REASONABLE COST PER HEAD — ORDER JANY. 8, 1934	—	$ .0030	$ .0148	$ .0050	—	$ .0085	$
PERCENT OF SECY'S REASONABLE COST TO PETITIONERS' ACTUAL COST	—	50.85%	42.17%	19.31%	—	95.51%	78.
FUNCTIONAL DISTRIBUTION OF ALL SALESMEN'S SALARIES —	$ 103 889.36	$ 540.00	$ 76 483.13	$ 8 677.41	$ 5 277.26	$ 8 402.37	—
FUNCTIONAL PERCENTS — SERVICE RENDERED BY SALESMEN —	100.00%	0.52%	73.62%	8.35%	5.08%	8.09%	—
FUNCTIONAL PERCENTS — SALESMAN AFTER REDUCED BY SECRETARY —	50.07%	0.26%	31.05%	1.61%	5.08%	7.73%	—

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

Petitioner's Exhibit No. _____
Witness, Earle D. Mudd

COMPARISON OF THE ACTUAL SALESMAN AS EMPLOYED BY PETITIONERS
WITH THE REDUCED SALESMAN WHO WILL HAVE TO BE EMPLOYED UNDER THE SECRETARY'S ORDER

SCHEDULE NO. 1-d

	TOTAL	DISTRIBUTION						
		SUPERVISION	SELLING	BUSINESS GETTING	BUYING	YARDING	OFFICE WORK	OTHER BUSINESS
	—	$ .0298	$ .4024	$ .1440	—	$ .0847	$ .0882	—
R JANY. 8, 1934	—	$ .0150	$ .1667	$ .0390	—	$ .0725	$ .0750	—
ONERS' ACTUAL COST		50.34%	41.43%	27.08%	—	85.60%	85.03%	—
ALARIES —	$1 263 690.23	$24 922.72	$ 950 371.60	$ 167 512.39	$ 20 866.23	$ 23 858.77	$ 16 244.95	$ 59 913.57
ALESMEN —	100.00%	1.97%	75.21%	13.25%	1.65%	1.89%	1.29%	4.74%
D BY SECRETARY —	44.85%	.99%	31.16%	3.59%	1.65%	1.62%	1.10%	4.74%
	—	$ .0080	$ .0938	$ .0435	—	$ .0332	$ .0290	—
R JANY. 8, 1934	—	$ .0055	$ .0414	$ .0120	—	$ .0280	$ .0250	—
ONERS' ACTUAL COST	—	68.75%	44.14%	27.59%	—	84.34%	86.21%	—
ALARIES —	$ 467 061.49	$ 1 660.00	$ 335 882.99	$ 54 584.83	$ 2 619.13	$ 22 479.50	$ 22 261.52	$ 27 573.52
ALESMEN —	100.00%	0.35%	71.91%	5.68%	0.56%	4.82%	10.78%	5.90%
D BY SECRETARY —	53.37%	0.24%	31.74%	1.57%	0.56%	4.07%	9.29%	5.90%
	—	$ .0059	$ .0351	$ .0209	—	$ .0089	$ .0115	—
R JANY. 8, 1934	—	$ .0030	$ .0148	$ .0050	—	$ .0085	$ .0090	—
ONERS' ACTUAL COST	—	50.85%	42.17%	19.31%	—	95.51%	78.26%	—
ALARIES —	$ 103 889.36	$ 540.00	$ 76 483.13	$ 8 677.41	$ 5 277.26	$ 8 402.37	—	$ 4 509.19
ALESMEN —	100.00%	0.52%	73.62%	8.35%	5.08%	8.09%	—	4.34%
D BY SECRETARY —	50.07%	0.26%	31.05%	1.61%	5.08%	7.73%	—	4.34%

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
EQUITY NO. 13 829

Petitioners' Exhibig No. 10
Witness, Mudd E. D.

SCHEDULE NO. 9

STATEMENT SHOWING THAT SMALL VOLUME FIRMS HAVE VERY LITTLE EFFECT ON MARKET COSTS AND DO NOT INFLUENCE THE LEVEL OF RATES
(All firms handling less than 200 cars of livestock - unless they handled more than 100 cars of cattle & calves - are eliminated)
Covering all Chicago Live Stock Exchange firms for the year 1932.

	NAME OF FIRM	NUMBER OF CARS HANDLED				ACTUAL RESULTS (ALL FIRMS)				RESULTS IF SMALL FIRMS WERE ELIMINATED			
		CATTLE & CALVES	HOGS	SHEEP	ALL SPECIES	COSTS	COMMISSIONS	AMOUNT P & L	PERCENT P & L	COMMS SMALL FIRMS	COMMS LARGE FIRMS	AMOUNT P & L	PERCENT P & L
1	STRADER BROTHERS	42	54	2	98	3 362	1 817	1 545	45.95				
2	ADAMS, CORRICK & HATCH	576	635	24	1 235	28 163	25 534	2 629	9.33	289	25 823	2 340	8.31
3	ADLER SONS & CO.	161	95	3	259	4 099	5 125	1 026	25.03	58	5 183	1 084	26.45
4	ALEXANDER CONOVER & CO.	5 488	1 210	629	7 327	127 428	143 814	16 386	12.86	8 624	145 438	18 010	14.13
5	LOUIS ARMBRECHT COM. CO.	77	18	2	97	2 619	2 067	552	21.08				
6	BAKER HEYNE & CO.	999	896	39	1 934	50 807	41 262	9 545	18.79	466	41 728	9 079	17.87
7	SULLIVAN COM. CO.	6	5	1	12	560	249	311	55.46				
8	BARTON LOONEY & CO.	477	124	7	608	15 701	12 758	2 943	18.74	144	12 902	2 799	17.83
9	BENTON & CO.	89	216	8	313	5 658	7 134	1 476	26.09	81	7 215	1 557	27.52
10	BOWLES L. S. COM. CO.	2 225	726	650	3 601	82 724	73 926	8 798	10.64	834	74 760	7 964	9.63
11	SWANSON, GILMORE & CASTENHOLZ	2 325	1 245	31	3 601	83 930	71 167	12 763	15.21	803	71 970	11 960	14.25
12	ABE BURNETT & CO.	283	108	18	409	11 774	8 641	3 133	26.61	97	8 738	3 036	25.79
13	BYERS BROTHERS & CO.	134	143	8	285	12 330	5 691	6 639	53.84	64	5 755	6 575	53.33
14	CALLAHAN L. S. COM. CO.	4	147	-	151	4 251	3 036	1 215	28.58				
15	HARRY L. CARPENTER	32	178	2	212	4 320	4 131	189	4.38	47	4 178	142	3.29
16	CENTRAL L. S. COM. CO.	968	614	28	1 610	47 137	32 138	14 999	31.82	363	32 501	14 636	31.05
17	CLARK BOWLES & CO.	15	35	1	51	2 792	956	1 836	65.76				
18	JOHN CLAY & CO.	5 753	1 174	2 229	9 156	141 612	179 580	37 968	26.81	2 028	181 608	39 996	28.24
19	COCHRAN HENNEBERRY & WALLACE	1 151	1 078	62	2 291	61 481	46 194	15 287	24.86	522	46 716	14 765	24.02
20	CONKLIN BROS. COM. CO.	1 782	1 086	32	2 900	67 295	57 762	9 533	14.17	652	58 414	8 881	13.20
21	H. D. COPELAND & CO.	1 721	1 191	155	3 067	73 290	63 721	9 569	13.06	719	64 440	8 850	12.08
22	SWINEY BROTHERS	693	1 273	44	2 010	52 492	42 828	9 664	18.41	484	43 312	9 180	17.49
23	DOLAN, LUDEMAN & CO.	1 667	782	14	2 463	57 197	46 258	10 939	19.13	522	46 780	10 417	18.21
24	DROVERS COM. CO.	1 693	585	18	2 296	48 270	45 385	2 885	5.98	512	45 897	2 373	4.92
26	H. L. DUNNING & CO.	835	425	12	1 272	29 586	24 965	4 621	15.62	282	25 247	4 339	14.67
27	H. O. THOMPSON & CO.	214	224	7	445	11 592	10 328	1 264	10.90	117	10 445	1 147	9.89
28	ETTLINGER L. S. COM. CO.	451	334	20	805	15 813	15 313	500	3.16	173	15 486	327	2.07
29	EVANS, SNIDER, BUEL COM. CO.	485	631	283	1 399	31 704	28 213	3 491	11.01	319	28 532	3 172	10.01
30	FILLER, WILSON & MC CLELLAND	1 197	293	23	1 513	31 590	30 259	1 331	4.21	342	30 601	969	3.13
31	FRED FREEMAN	40	-	-	40	1 413	408	1 005	71.13				
32	I. O. FRY	68	22	6	96	2 623	1 931	692	26.38				
33	WM. GENTLEMAN & SONS	2 089	905	59	3 053	70 103	65 479	4 624	6.60	739	66 218	3 885	5.54
34	GILLOGLY & CO.	1 058	996	31	2 085	51 807	44 991	6 816	13.16	507	45 498	6 309	12.18
35	GREENWOOD COM. CO.	122	290	6	418	9 828	9 548	280	2.85	108	9 656	172	1.75
36	HAINE & RENEKER	364	60	23	447	12 662	8 970	3 692	29.16	101	9 071	3 591	28.36
37	CHAS. E. HARDING CO.	500	770	15	1 285	40 748	26 657	14 091	34.58	301	26 958	13 790	33.84
38	UNITED COM. CO.	1 281	557	48	1 886	47 382	37 957	9 425	19.90	429	38 386	8 996	18.99
39	GEO. W. VON BERNER	41	169	1	211	4 518	4 411	107	2.37	50	4 461	57	1.26
40	HEFNER COM. CO. INC.	804	640	24	1 468	32 536	32 164	372	1.14	363	32 527	9	.03
41	GEO. F. HOGAN	11	10	-	21	1 473	443	1 030	69.93				
42	HOLLOWAY & OGREN	415	878	25	1 318	27 873	28 314	441	1.58	320	28 634	761	2.73
43	IOWA LIVE STOCK COM. CO.	1 495	581	12	2 088	44 408	40 362	4 046	9.11	456	40 818	3 590	8.08
44	DAVID C. WAGNER	28	174	7	209	4 821	4 340	481	9.98	49	4 389	432	8.96
45	WALTERS & DUNBAR	3 294	1 217	144	4 655	100 168	88 541	11 627	11.61	1 000	89 541	10 627	10.61
46	WALTER BROTHERS	117	39	6	162	3 914	3 346	568	14.51	38	3 384	530	13.54
47	KNETTLE BROTHERS	40	86	-	126	3 351	1 563	1 788	53.36				
48	KUENSTER L. S. COM. CO.	2 114	1 543	77	3 734	75 466	67 989	7 477	9.91	767	68 756	6 710	8.89
49	JOHN A. WATERS L.S. COM. CO.	-	61	-	61	2 094	1 205	889	42.45				

45	WALTERS & DUNBAR	3 294	1 217	144	4 655	100 168	88 541	11 627	11.61	1 000	89 541	10 627	10.61
46	WALTER BROTHERS	117	39	6	162	3 914	3 346	568	14.51	38	3 384	530	13.54
47	KNETTLE BROTHERS	40	86	–	126	3 351	1 563	1 788	53.36				
48	KUENSTER L. S. COM. CO.	2 114	1 543	77	3 734	75 466	67 989	7 477	9.91	767	68 756	6 710	8.89
49	JOHN A. WATERS L.S. COM. CO.	–	61	–	61	2 094	1 205	889	42.45				
50	LAMBRIGHT-KEYS & HUSTON	252	177	7	436	12 862	9 404	3 458	26.89	106	9 510	3 352	26.06
51	LAWLER BROTHERS & CO.	4 520	916	182	5 618	111 625	115 144	-	-	1 300	116 444	4 819	4.32
52	L. B. WERDEN	155	23	1	179	2 899	3 581	682	23.53	40	3 621	722	24.91
54	W. W. WILSON & CO.	1 045	732	33	1 810	49 492	39 496	9 996	20.20	445	39 941	9 551	19.30
55	MARTIN BROS. & CO.	975	774	69	1 818	41 354	36 751	4 603	11.13	414	37 165	4 189	10.13
56	MCCAUSLAND, HOAG & VAUGHAN	2 264	239	55	2 558	52 635	51 017	1 618	3.07	575	51 592	1 043	1.98
57	MERRION & WILKINS	–	–	2 536	2 536	36 169	48 934	12 765	35.29	552	49 486	13 317	36.82
58	MILLER, WHITE & WOODS	1 567	820	87	2 474	58 529	51 524	7 005	11.97	581	52 105	6 424	10.98
59	MINTEER HUBBIRD & CO.	681	118	6	805	17 344	14 276	3 068	17.69	161	14 437	2 907	16.76
60	CHAS. H. MOBERLY	53	20	–	73	2 075	1 505	570	27.47				
61	MULLEN COM. CO.	699	455	10	1 164	25 334	23 581	1 753	6.92	266	23 847	1 487	5.87
62	MURRY & MC DOWELL	750	596	135	1 481	33 589	29 691	3 898	11.60	335	30 026	3 563	10.61
63	MUTUAL LIVE STOCK COM. CO.	1 178	921	33	2 132	47 817	42 501	5 316	11.12	479	42 980	4 837	10.12
64	NALLEY COM. CO.	211	147	5	363	7 615	8 260	645	8.47	93	8 353	738	9.69
65	JAS. F. NASH	48	99	4	151	4 199	3 238	961	22.89				
66	NATIONAL LIVE STOCK COM. CO.	5 286	1 510	550	7 346	144 561	146 514	1 953	1.35	1 655	148 169	3 608	2.50
67	E. F. WOELLER & CO.	214	47	–	261	6 754	5 092	1 662	24.61	58	5 150	1 604	23.75
68	HAFNER NIXON COM. CO.	83	144	2	229	4 903	4 860	43	.88	55	4 915	12	.24
69	NORTHWESTERN L.S. COM. CO.	705	616	27	1 348	34 282	26 606	7 676	22.39	301	26 907	7 375	21.51
70	SILAS PALMER & SONS	1 478	521	21	2 020	49 501	42 162	7 339	14.83	475	42 637	6 864	13.87
71	WOOD BROTHERS	2 465	856	612	3 933	71 702	77 790	6 088	8.49	878	78 668	6 966	9.72
72	JOHN PATTERSON & SON	164	14	–	178	1 661	1 095	566	34.08	12	1 107	554	33.35
73	PETERSON TURNBULL & CO.	936	631	36	1 603	38 239	33 351	4 888	12.78	377	33 728	4 511	11.80
74	PRITCHARD COM. CO.	178	83	1	262	12 097	4 615	7 482	61.84	52	4 667	7 430	61.42
75	QUINN COM. CO.	1 246	182	16	1 444	31 854	30 280	1 574	4.94	341	30 621	1 233	3.87
76	GLEN K. WOOD & CO.	19	72	2	93	2 008	2 149	141	7.02				
77	RICE BROTHERS	2 712	844	84	3 640	85 850	70 982	14 868	17.32	801	71 783	14 067	16.39
78	ALEX RINDERLE & CO.	404	612	81	1 097	26 043	25 260	783	3.01	285	25 545	498	1.91
79	ROACH L. L. COM. CO.	560	68	5	633	16 392	11 337	5 055	30.84	128	11 465	4 927	30.06
80	CHAS. O. ROBINSON & CO.	1 410	154	65	1 629	32 895	31 635	1 260	3.83	356	31 991	904	2.75
81	ROSENBAUM BROTHERS & CO.	1 907	554	257	2 718	76 874	53 436	23 438	30.49	603	54 039	22 835	29.70
82	SARSFIELD & SCHROCK COM. CO.	178	842	5	1 025	17 070	14 659	2 411	14.12	166	14 825	2 245	13.15
83	NANCEY, SINNARD & ROBERTS	1 196	598	90	1 884	48 653	37 698	10 955	22.52	425	38 123	10 530	21.64
84	GEORGE M. BROWNSON & CO.	51	218	2	271	5 164	5 747	583	11.29	65	5 812	648	12.55
85	SCHROEDER L. S. COM. CO.	420	476	9	905	18 706	19 669	963	5.15	222	19 891	1 185	6.33
86	SHELDON COM. CO.	66	121	2	189	3 996	3 962	34	.85				
87	SHERWOOD & SON	320	366	11	697	17 591	16 000	1 591	9.04	181	16 181	1 410	8.02
88	W. E. YOUNG & CO.	22	16	1	39	1 053	782	271	25.74				
89	SINCLAIR COM. CO.	23	2	–	25	1 830	397	1 433	78.31				
90	W. R. SMITH & SONS	–	–	1 093	1 093	31 189	20 614	10 575	33.91	233	20 847	10 342	33.16
91	L. SPENCER & CO.	37	264	10	311	10 031	6 960	3 071	30.62	79	7 039	2 992	29.83
92	STAFFORD BROTHERS	1 217	686	55	1 958	37 709	40 356	2 647	7.02	455	40 811	3 102	8.23
93	STANDARD L. S. COM. CO.	738	938	111	1 787	41 341	38 327	3 014	7.22	465	38 792	2 549	6.17
94	STARRETT L. S. COM. CO.	343	88	4	435	11 493	7 616	3 877	33.37	86	7 702	3 791	32.99
95	STEWARD & MCILLHANY	118	24	–	142	4 171	3 031	1 140	27.33	34	3 065	1 106	26.52
96	ST.JOHN, COMPTON, DUNBAR CO.	1 044	547	37	1 628	40 536	32 695	7 841	19.34	369	33 064	7 472	18.43
97	STOCKGAENS L. S. COM. CO.	1 402	1 065	94	2 561	64 488	52 670	11 818	18.33	594	53 264	11 224	17.40
98	ACKER & CO.	22	7	–	29	2 279	570	1 709	74.99				
101	WM. DANIEL	112	11	–	123	3 484	2 325	1 159	33.27	26	2 351	1 133	32.52
102	WILL. C. WOOD	12	104	2	118	2 586	2 674	12	.45				
103	JOHN A. HAVEY	1	1	285	287	5 465	5 238	227	4.15	59	5 297	168	3.07
104	INGWERSEN, MOSIER & INGWERSEN	781	180	8	969	22 605	18 565	4 040	17.87	210	18 775	3 830	16.94
111	A. P. SCHMAL	97	37	6	140	3 867	3 211	656	16.96				
	ALL FIRMS	87 789	44 059	11 583	143 431	3 181 326	2 878 704	302 622	9.51	32 163	2 878 704	254 091	7.99

NOTE: UNDER "RESULTS IF SMALL FIRMS WERE ELIMINATED", THE COMMISSIONS OF SMALL FIRMS HAVE BEEN SPREAD OVER THE LARGE FIRMS IN PROPORTION TO THEIR EXISTING VOLUME, ASSUMING THAT THIS ADDITIONAL BUSINESS COULD BE HANDLED BY THEM WITHOUT INCREASED EXPENSE.

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

THE SECRETARY'S REASONABLE COST PER CARLOT
as compared with
THE PETITIONERS "MEDIAN", "WEIGHTED AVERAGE", AND "BULK-LINE" COST PER CARLOT
All Chicago Live Stock Exchange Firms - For The Year 1932.

CLASS OF BUSINESS	SECRETARY'S "REASONABLE" COST PER CAR	PETITIONERS' "MEDIAN" COST PER CAR	PETITIONERS' "WEIGHTED AVERAGE" COST PER CAR	PETITIONERS' "66-2/3% BULK-LINE" COST PER CAR	NO. OF FIRMS BELOW SECRETARY'S COST PER CAR	NO.
CATTLE & CALVES						
STRAIGHT CARS - SINGLE OWNERSHIP	$ 11.41	$ 22.78	$ 20.76	$ 22.24	3 OUT OF 95	130
STRAIGHT CARS - PLURAL OWNERSHIP	13.14	28.15	26.65	29.40	3 " " 93	15
MIXED CARS - SINGLE OWNERSHIP	17.64	30.17	30.98	34.02	8 " " 93	96
MIXED CARS - PLURAL OWNERSHIP	18.86	37.89	37.88	39.65	1 " " 94	9
DRIVE-INS	12.42	34.14	32.97	35.47	NONE	
HOGS						
STRAIGHT CARS - SINGLE OWNERSHIP	$ 11.99	$ 17.64	$ 17.57	$ 18.91	8 OUT OF 95	500
STRAIGHT CARS - PLURAL OWNERSHIP	11.33	20.86	20.43	21.73	3 " " 92	63
MIXED CARS - SINGLE OWNERSHIP	12.42	20.41	21.65	23.60	4 " " 84	16
MIXED CARS - PLURAL OWNERSHIP	11.83	23.86	23.40	24.46	1 " " 90	2
DRIVE-INS	11.07	25.05	24.09	25.66	1 " " 94	2
SHEEP						
STRAIGHT CARS - SINGLE OWNERSHIP	$ 11.15	$ 15.42	$ 17.46	$ 17.58	10 OUT OF 67	56
STRAIGHT CARS - PLURAL OWNERSHIP	10.25	19.67	21.44	21.99	5 " " 66	9
MIXED CARS - SINGLE OWNERSHIP	9.25	21.63	25.10	26.05	5 " " 49	7
MIXED CARS - PLURAL OWNERSHIP	9.21	28.00	30.74	29.75	1 " " 68	1
DRIVE-INS	9.54	33.55	35.34	37.02	NONE	

NOTE: THE "SECRETARY'S REASONABLE COST PER CAR" FOR THE RESPECTIVE MODES OF ARRIVAL HAS BEEN DETERMINED BY MULTIPLYING HIS "REASONABLE COST PE
(AS SHOWN ON PAGE 110 OF HIS ORDER DATED JANUARY 8, 1934) BY THE AVERAGE NUMBER OF HEAD PER CAR

STRICT COURT OF THE UNITED STATES
N DISTRICT OF ILLINOIS - EASTERN DIVISION
IN EQUITY NO. 13,829

Petitioners' Exhibit No. 11
Witness.

TARY'S REASONABLE COST PER CARLOT
as compared with
IGHTED AVERAGE", AND "BULK-LINE" COST PER CARLOT
Live Stock Exchange Firms - For The Year 1932.

ONERS' AN" ER CAR	PETITIONERS' "WEIGHTED AVERAGE" COST PER CAR	PETITIONERS' "66-2/3% BULK-LINE" COST PER CAR	NO. OF FIRMS BELOW SECRETARY'S COST PER CAR	AGGREGATE NO. OF CARS HANDLED BY SUCH FIRMS
78	$ 20.76	$ 22.24	3 OUT OF 95	130 OUT OF 46 016
15	26.65	29.40	3 " " 93	16 " " 13 008
17	30.98	34.02	8 " " 93	96 " " 2 018
89	37.88	35	1 " " 94	9 " " 3 289
14	32.97	35.47	NONE	NONE
.64	$ 17.57	$ 18.91	8 OUT OF 95	500 OUT OF 14 400
.86	20.43	21.73	3 " " 92	63 " " 11 203
.41	21.65	23.60	4 " " 84	16 " " 2 020
.86	23.40	24.46	1 " " 90	2 " " 4 360
.05	24.09	25.66	1 " " 94	2 " " 9 890
.42	$ 17.46	$ 17.58	10 OUT OF 67	56 OUT OF 7 511
.67	21.44	21.99	5 " " 66	9 " " 1 532
.63	25.10	26.05	5 " " 49	7 " " 243
.00	30.74	29.75	1 " " 68	1 " " 329
.55	35.34	37.02	NONE	NONE

VE MODES OF ARRIVAL HAS BEEN DETERMINED BY MULTIPLYING HIS "REASONABLE COST PER HEAD"
BY THE AVERAGE NUMBER OF HEAD PER CAR

[fol. 356] [File endorsement omitted]

IN UNITED STATES DISTRICT COURT

[Title omitted]

Narrative Statement of Evidence Before Secretary of Agriculture, in Bureau of Animal Industry, Docket 402, a Part of Petitioners' Exhibit 13—Filed Dec. 17, 1935

[fol. 357] Department of Agriculture

United States of America

BEFORE THE SECRETARY OF AGRICULTURE, BUREAU OF ANIMAL INDUSTRY

Docket No. 402

SECRETARY OF AGRICULTURE

vs.

C. H. ACKER, Doing Business as C. H. Acker & Company, et al.

Narrative Statement of Evidence

Hearing held at Chicago, Illinois, Union Stock Yards, beginning May 15, 1933, before:

Examiner J. C. Brooke, Solicitor's office U. S. Department of Agriculture;

C. E. Miles, Esq., Office of the Solicitor, U. S. Department of Agriculture, and G. N. Dagger, Esq., U. S. Department of Agriculture, appeared for the Government;

J. S. Boyd, Esq., Chicago, Illinois, and John T. Sullivan, Esq., Waterloo, Iowa, appeared for members of The Chicago Live Stock Exchange;

E. M. O'Brien, Esq., Chicago, Illinois, appeared for the order buyers;

Mr. D. L. Swanson and Mr. H. M. Curry appeared for the Chicago Producers Commission Association; and

Mr. Albert Fickler of Chicago appeared for the Farmers' Union Live Stock Commission.

[fol. 358] MICHAEL GUILLAUME, a witness called by the Government testified as follows:

Direct examination:

I am an employee of the Department of Agriculture, Bureau of Animal Industry, residing in Chicago, with the Packers and Stockyards Administration of the Bureau of Animal Industry, and have been so employed twenty-six years and nine months with the Bureau.

I have been asked to obtain a map of the Chicago Stockyards and to delineate and outline certain locations upon that major map. I have complied with both instructions. These maps were purchased by the Government from the Stockyards Company. On the map, which is Government Exhibit 6 for identification, there appear certain plain marks and outlines. They were placed there by myself. The North is the upper part of the map and the points of the compass following.

The Union Stock Yards starts up in the Northern section of this map, and comes in a southerly direction. I do not know the age of this map. We do not know when it was made by the Union Stock Yards Company; we do not know the scale; we measured the distance between 47th and so-called 39th St., the Chicago River, commonly called Bubbly Creek in the olden days, we figure that is 50 inches, and we figure that is 100 feet to the inch. We therefore figure there is very close to a mile between 47th and 39th Street and in [fol. 359] Chicago we consider that a mile of territory.

That red crayon enclosure shows all platforms, chutes, holding pens for the reception of all incoming railroad cars containing livestock consigned direct to packers or to be sold by commission men operating on the market in the stockyards at Chicago or car stock consigned by consignors to themselves, either in transit or to be disposed of locally. It includes the lower deck pens of the hog house now used for yarding cattle and calves, hogs and sheep. The same platform chutes, and chute pens are used for outloading or cars containing cattle, calves, hogs and sheep for direct slaughter, for feeding purposes, change in transit, or breeding purposes. It will be observed that chute pens, holding pens, holding hogs to be sold for delivery to commission men, this we have found to be due to a lack of pen room on

busy days or to be cooled by drenching, which drenching facilities are provided in these chute pens. The holding pens on the lower level, we have observed to be used for holding pens by commission men and also used by order buyers.

They are also used for holding packer hogs, either direct or after being weighed to them. As to the upper decks of the hog house outlined by a double red crayon mark, at the northerly part of the map is one of two divisions of double red crayon marks. The stockyards company presented maps showing the upper holding and selling pens in the hog house. We have these maps here, and they are entitled at the top "Arrangement of Pens, Double Deck, House *House*" marked as Government Exhibit No. 7 for [fol. 360] identification. Leaving the Exchange Building you go down Laurel Street north and enter the area marked with the red crayon. There are figures noted on the map within the red crayon, Nos. 1 to 10, inclusive, designating the platform set out with those numbers. From these platforms lead chutes leading into the double chute pens. We find that at platform 1 there are available 94 chutes for holding 94 cars of livestock arriving at this platform. No. 1 platform is the far north platform to the west of Laurel Street on Exhibit 6. Platform 3 is provided with 84 chute pens. No. 3 Platform is the first platform south of Platform No. 1 near the northerly part of the map.

Platform 5, the platform south of 3, has 72 chute pens as stated. Then, we come to platform 7 that is south of platform 5. That has 72 chute pens. Next platform south is platform No. 9 having 55 chute pens. Crossing over Laurel Street in an easterly direction, Laurel Street being the division line between four divisions in the hog house, commonly termed and known in trade parlance as the Northeast Division, called the Rock Island division; that is the most northerly enclosure marked in red. Directly west of the Rock Island Division is the Burlington Division; directly south of the Rock Island Division is the Cuba division; and directly to the west of that, the northwest division. I have next outlined in orange crayon a section of the yards showing more car unloading facilities terminating in the Texas quarantine division. That is in the southwest corner of the yards where there is a battery of platforms, chutes, chute pens, which we have not observed in use for quite a

[fol. 361] few years. I have outlined a section with yellow crayon coming along the line in a southerly direction which would be in the southeast part of the yards. The crayon line goes up in a northerly direction, to the stone gate on Exchange Avenue. The crayon line again extends in a southerly direction, in a westerly direction and again in a southerly direction, terminating at the starting point.

Near the northern extremity of the stockyards, I have marked the section with green crayon; coming in a southerly direction, at the northern extremity of the yards shown on the map as being in the Rock Island Division, the green areas extending in a southern direction toward the Exchange Building. Another green area set out near the southern end of the yards shows the location of platforms, chutes and chute pens used for unloading trucked-in livestock consigned for sale to commission men. The above facilities can be and are used for out-loading of cattle, for feeding purposes, or immediate slaughter; also for handling hogs and sheep, if necessary. To the west of the plat and north and south of Exchange Avenue, there are two areas set out in violet crayon. These show the sheep house, part of it being double-decked, and show the pens for holding livestock for sale, packer-directs for dealer and order buyer use. The enclosure within the double violet lines shows the upper decks of the sheep house. We have a section set out in this map in blue crayon, on the west side of [fol. 362] the plat and adjoining that part of the plat marked Armour & Company General Office. That enclosure shows Armour holding pens for hogs, and I have never observed any other species of livestock yarded in these pens. There is a section in the extreme south of the plat set out in black crayon, and this shows the pens usually and customarily used by dealers in feeder cattle. Some of these pens are used by commission men when they have a heavy run of livestock for sale. South of the section just described is a section set out in brown used exclusively for holding packer-cattle.

In this great expansive space here which is so vitally necessary in this gigantic business called the livestock commission business, you will find entire sections that are not chalked off. That area is customarily used for holding cattle and calves and sometimes sheep for sale; also after being weighed either for shipment or immediate slaughter,

for feeder cattle or for breeding purpose cattle. The same pens are also used by order buyers and dealers and include the scales used to weigh cattle and calves in this section. Over in the southwest corner of the plat is another little section headed "Covered Pens" and on account of running out of different colored crayons, they are not set out. These pens are used for holding cattle over night by commission men or dealers or order buyers. They are in the southwest corner of the stockyards. Within the violet area, there are nine scales used for weighing sheep. Within this great ex- [fol. 363] panse, both to the south and north of Exchange Avenue, there are 21 cattle scales used for weighing cattle and calves. In that expanse set out to the far north of this plat and of the yards, and within the double red chalk line are located 21 scales for weighing hogs. That completes my description of Exhibit No. 6.

Exhibit No. 7 is the arrangement of the upper and lower hog house.

Government Exhibits No. 6 and No. 7, being maps of the Chicago Union Stockyards, were received in evidence.

FRED R. MITCHELL, a witness called by the Government, testified as follows:

Direct examination:

I reside at 7043 Paxton Avenue, Chicago, Illinois. Am general superintendent of Union Stock Yards & Transit Company and have been employed about ten years. I am in charge of the allotment of pens. Pen space is allotted to live stock commission firms according to their requirements upon all requests. The stock yards company may reassign pen locations to commission firms but it is infrequently done.

The area of the stockyards that is actually used for stock yards purposes is approximately a mile long and a half mile wide,—practically 320 acres.

[fol. 364] O. T. HENKLE, a witness called by the Government testified as follows:

Direct examination.

I reside in Chicago, Illinois, am vice-President and general manager of the Union Stock Yard & Transit Company; have been Vice-President for two or three years and General Manager for perhaps fifteen years.

I believe it to be a legitimate item of expense to a commission man to advertise to get shipments to his own firm. The stock yard company advertises in newspapers to secure shipments through Chicago stockyards; we advertise over the radio for the same purpose.

We use other means and methods of advertising; we send representatives to the country to solicit business to be shipped to the Union Stock Yards, Chicago. I consider the International Live Stock Exposition as one of the greatest advertisement mediums for the Chicago market. Live stock is solicited from coast to coast; advertising is carried only in live stock journals or live stock papers.

Cross examination:

The Chicago Live Stock Market is the largest in the world and it is generally understood that this is the principal live stock market in the country. It is necessary for individual firms doing business at Chicago to solicit in their behalf. The United States Government does not exercise [fol. 365] regulation and supervision over markets which are in active competition with the Union Stock Yards, Chicago. The markets referred to have been increasingly active in the past few years, the effect being to reduce the volume of business that is done at Chicago; the more the competition, the more difficult and expensive it is to overcome competition. In my opinion if there is a reduction in the allowance to live stock commission men in the money they may spend in getting and maintaining business at Chicago, the volume will of necessity continue to decrease. I know of no other means that is so effective as is the personal contact that the commission man has with his customer for getting and maintaining his business, for the reason that a commission man or a selling agency on the market has daily experience of his own knowledge that is of advantage to the shipper of live stock. I believe one could

go too far with specific solicitation; that is if one commission man went to Washington or California, it would be a very expensive thing for him to do, and that is the reason why the Yard Company tried to cover those far points for the market. I also believe that a live stock commission man could judge by his past experience as to whether there was sufficient business to warrant the expense of his personally going out as far as Washington or California; and further that he thought the commission man himself would be the best judge of what amount of solicitation he should do based on results from his previous experience. I believe that the commission men at Chicago are possessed of good [fol. 366] business judgment.

I find that there is a very considerable amount of competition existing between commission men engaged on the Chicago market. Each man is zealous to give the highest type of service that he can render to his customer.

Some firms draw their business from particular territories while other firms engaged on the market draw little from that territory but much from other territories. Conditions regarding solicitation vary greatly as between firms. An allowance to one firm for business getting and maintaining cannot be any criterion as to what would be reasonable with respect to another.

I do not believe that the average amount expended by all firms on the market for business getting and maintaining would be a fair criterion of what should be reasonable for all firms to spend per carload; that one firm might require much more than the average and perhaps some other firm would require less than the average. To illustrate: If a prominent man from Northern Illinois comes to Chicago and goes into the livestock commission business, and he has many friends and feeders in a congested district, he might be able to see them at a very small expense, get a large number of carloads which were evenly sent in by all of them throughout the year, making it a very effective sort of business, while another commission firm might have come from Montana or Wyoming and knows everybody out there, and most of his shipments come from that location. [fol. 367] That is far away and they might come at infrequent and irregular periods during the year, making it more difficult for him to handle them when they got here, and also he would have a much greater distance to go to reach

his customers personally than would be true in the case of the Illinois man. I think that in the case of a firm which spent $3.00 per car business getting and maintaining, a careful examination might develop that the $3.00 was a reasonable expenditure as contrasted with a firm that might have spent $5.00 per car for the same purpose, and that upon investigation it might develop that each amount would represent a reasonable expenditure.

If a liberal allowance is not made for business getting and maintaining that business might go to a point where some other solicitor or some other competitive point would have facilities or regulations where he could go out and get it. Where the business is lost to Chicago, the unit cost for that which remains would necessarily increase. The hog business reaching Chicago on a commission basis is dwindling and it is going east and some to interior packing points, causing a great reduction in the stock yards revenue as well as to commission men. If the Government were to reduce the allowance for business getting and maintaining from $4.50 per car to $1.50 to $2.00 per car, I believe the business would be further reduced, and create greater losses on the part of the commission men and the stock yards company.

[fol. 368] There is a charge that the railroad pays $1.00 per loading each carload. It is true that the size of the market at Chicago, the general reputation of the Chicago market, the reputation of the personnel, actually is a drawing factor throughout the country or throughout this shipping territory. The market would get considerable business whether they advertised or not or whether the commission man advertised or not, but not as much as at present, otherwise we wouldn't spend the money advertising.

With reference to advertising and soliciting each particular case is given special consideration and each advertisement that is placed is for a definite purpose. We try to do our advertising and soliciting at points where it will do the most good, instead of taking one percent, two percent, or five percent, and shooting it up into the air, we try to aim all of our advertising and all of our soliciting expense definitely with each project and each expenditure. I have no information with reference to what is paid for advertising and soliciting by any of the commission men.

The object and purpose of all a commission man's advertising and soliciting activities is to draw the business to his own firm.

It is true that the effect of the competition between commission men is not to increase the general market supply but merely to effect the competition between particular [fol. 369] market agencies. The commission man in his solicitation to get new business, must also, at the same time, keep in touch with his old customers to impress upon them that they can secure good service by sending it to his firm, that he will give it personal service, and he may tell them, and no doubt does, that it is necessary for him from time to time to keep up his fences, as it were, by still further impressing upon his customers either new or old, that he is able to give him valuable services at the market—you might say expert service—that is, he can give him definite details of what the market is doing, and what stock like his will bring if it comes to market, what he sold it for yesterday or last week, and what the market is today. He can give him definite and detailed information from his own knowledge that nobody else has.

One effect of extensive advertising and solicitation by the commission man is to increase competition between commission men, and it is also true that the effect of advertising by commission men is simply to persuade the farmer to ship to this particular commission man. As to whether I would oppose some limit upon the commission man spending money which must be paid for by the farmer where the only purpose is to persuade the farmer to ship to a particular, I do not know of any business wherein the man who has service or goods to offer is not permitted to use his own judgment in his methods of getting business so long as they are honorable and proper. But if a commission man reduces his advertising, perhaps he would be overlooked and he must keep up his front with his customers and try to get new ones. I would not agree that there must [fol. 370] be a limit somewhere no matter by whom imposed upon the amount that should be expended for advertising. I think, for instance, that last night in one of my papers here, one of the stores downtown—I have seen some of them have as high as eight pages of advertising in one issue. Now certainly he is only trying to get the State St. shoppers out to his store, if he can. But I do not know

whether he should be curtailed in an effort of that kind or not. Perhaps the effort, if he overreaches himself, will defeat his purpose and cost him more than he will get out of it, and then he will stop, say, of his own accord, and nobody will have to stop him. I do not believe that if carried to its ultimate conclusion, there would be no limit to the amount the firm would spend for advertising, and which the farmer would then pay in increased rates. If the commission man did not show intelligence in his advertising and spend so much money in advertising, that his reasonable compensation for the service he is performing would not pay that expense, he would soon stop it, of his own accord. His bank account would stop him.

Boiled down, it seems to me that it might be well left to their own judgment and to be proved up by the results they secured from it. Direct marketing has decreased the receipts at Chicago because customers east of Chicago that used to come to Chicago for their supplies are going to direct buying points. Advertising would have some effect upon direct marketing.

[fol. 371] Cross-examination:

In comparing conditions with reference to service required of commission men in 1933 as compared with 1922 when the arbitrators made their award as to rates to be charged at the Chicago market, it seems to me that there would be greater expense at this time, on account of the lessening of straight carload lots, and train lots,—that there are more small lots these days, and especially in the live stock that comes in trucks,—and my impression is that there has been an increase in wages that was made effective in 1923 and that we are still considerably above the level of wages that were paid at that time.

As to my opinion whether the rates which were found reasonable for the services performed by commission men in 1923 under existing conditions would be reasonable to charge for the same services today, it would seem to cause, as I have stated, the greater amount of work that must be done, and the greater expense of that work. What was fair at that time, leaving aside all other conditions, would be fair at this time on account of these specific items that I have mentioned; but there may be other surrounding conditions that I have not thought of.

The loss of business between the dates of 1923 and the present time would necessarily make the unit cost of handling greater, the outlay necessary to maintain the business, treating it from the standpoint of volume alone, [fol. 372] would, of necessity, make it more costly. The service is certainly more difficult to render today than it was in 1923 because of the broken lots in which the business is sold. The solicitation that is done and the advertising which is undertaken by the Yard Company is intended to bring business to the Chicago market without regard to any market agency engaged in business on the Chicago market; it is necessary for the yard company to remain absolutely neutral as to agencies that are on the market and I believe them capable of giving good service. While the Yard Company advertising may inure to the benefit of the industry as a whole, it would have little or no effect upon the particular business of the firm, if they did not continue the solicitation of business with the same intensity. There is and has been an effort made on the part of people engaged in business at Chicago to combat the increase of direct buying; that effort had not stopped this type of buying but it might have been greater if it had not been for the efforts made to stop it. I see no reason up to this time why the effort should be diminished or the expense decreased. The job is not yet done. In 1923 at the time the commission rates were fixed by arbitration, direct marketing was not a material factor, but has since become a very menacing one.

[fol. 373] Redirect examination:

Based upon commission charges of today and of 1932, the shipper is paying a greater proportion of the value of his live stock for commission charges than he was in 1923. I believe it would be good policy for a Chicago commission man to advertise in New Mexico, Washington, California, or many of the mountain states, because some of the commission men have customers, say, in Washington or Idaho, that at certain times of the year have livestock that will sell better on this market because the demand is here and he believes in telling the raiser of the live stock that if the raiser comes here the commission man can get a good price for his livestock, but he might do that at only a specific time of the year when he knew that sheep or lambs could sell to

advantage. He would not be likely to advertise all the year around.

F. E. MOLLIN, a witness called by the Government, testified as follows:

Direct examination:

I live in Denver, Colorado, and am Secretary of the American National Livestock Association, and have been for a little over four years. The association is a voluntary one of livestock producers, mostly cattle men, with principal membership in the states west of the Missouri River. [fol. 374] The membership is in three classes; we have the State associations affiliated with us in all the States where there are active associations, except in the State of Kansas, which is an independent organization, but works with us on traffic matters; we have many local associations scattered all through the west affiliated with us, and then we also have individual memberships running from small operators up to some of the largest cattle men in the West. My personal experience has been principally at the markets at Denver, Omaha and Chicago as live stock shipper and as Secretary of the American National. The American National has participated in many of the various rate hearings under the Packers and Stockyards Act and had some part in arranging or urging hearings to determine fair and reasonable charges at different times relating to both commission charges and stockyards charges. I have personally appeared and testified in various *various* rate cases, both live stock commission and stockyards charges; my association has not directed or authorized me to appear at this particular hearing—it is a standing policy of our association that we shall take part in these hearings, wherever possible, and I don't think, in a good many years, that our resolutions have failed to refer to the matter of marketing charges.

The witness was then permitted to read into the record over the objection of the respondent, the resolution of the American National Live Stock Association about this attitude, adopted at the convention January 1*3*, 13 and 14, 1933.

[fol. 375] "Resolution No. 6

Stock Yard Charges

"Whereas, During the year 1932 livestock prices sank even below the disastrously low levels of the year before, and far below pre-war levels; and

Whereas, Yardage rates are still being maintained on the wartime plane at most of the principal live stock markets, feed charges though reduced, are still out of line with the prices prevailing for feed commodities today; and commission rates at a few markets still need material revision; and

Whereas, A continuance of the present level of yardage and feed charges will make it mandatory upon the industry to seek other channels of marketing; therefore be it

Resolved, That we urge all agencies immediately to cooperate in extending to the industry the further help that is so long overdue and so badly needed, in the way of reduced marketing costs; and be it further

Resolved, That we express our appreciation of all the voluntary reductions that have been made."

I would like to say that I have many opportunities to come in contact with the producers of livestock in the West, not only at our own conventions but by attending other conventions and other meetings and I can assure you that the industry feels very strongly in need of reduced marketing charges and by that I mean commission charges and other marketing charges. So far as one of the objections made to the introduction of this resolution is concerned, I wish to say that the adoption of a resolution is the way in which I am authorized to take the position on certain matters and that the convention adopt a policy and I am supposed to conform to that policy.

The American National Livestock Association has taken a consistent position for many years in favor of reasonable [fol. 376] marketing charges. We have not played the game of blow hot and blow cold in regard to it. We do not say now that we want charges drastically reduced because of the depression, and we do not say we are willing to pay any kind of charge when we are getting a lot for our cattle. We have taken the position at all times in favor of reasonable charges. I will say that I know of no one in our

association who is not in favor of the position we are taking relative to commission charges and I can say further that men who a few years ago would not have given us any support in a proceeding of this kind are today solidly behind it.

I would like to say that the exceedingly low prices that we get for our livestock do not necessarily affect the cost of rendering the commission service. To that extent, it is our hard luck when our net returns are so low, but that is why I wanted to make it very plain that in this hearing we are asking for the establishment of a reasonable commission rate, not based on the low price we are receiving for our livestock. It is merely the fact that the price is so low that we urge haste in giving us what relief is possible.

I have received at my office during the recent months and in personal conversation with shippers a good many complaints about marketing charges, and it has been a very [fol. 377] common thing for these gentlemen to write or to tell me that it forces them to seek other ways of marketing their livestock.

Now, I don't say that that is narrowed to the matter of the commission rate, but I want to bring in a situation here of which the commission rate is an essential part. I can tell you some of our prominent shippers in Colorado who have formerly sent their livestock through the markets who last year sent them direct to feeders over in different parts of the east and one of the reasons they did so was because they were saving a commission charge and saving a yardage charge and saving something on the freight.

When we go into a hearing of this kind, or when we talk to commission men individually about commission rates, we are told that a saving of a few dollars a car is not going to save the livestock industry. When we talk to the stockyard officials and urge reduction in the yardage charge, we are told the same thing, and when we appeal to the railroads for lower railroad rates, we hear the same story. I had occasion this week to argue with officials of the Department of Argiculture relative to forest grazing fees, and I was urging a basic price that I thought would protect the interest of our western stockmen, and I was answered that I was taking a very narrow position and that it only amounted to $12 a permittee, the difference between what I asked and what they were willing to give

me, and that was not going to save the industry, but I want [fol. 378] to say it is the sum total of these charges that do amount to something to us, and that the stockmen are of sheer necessity today, paying more attention to the saving of even one dollar or two dollars a car than I have ever known them to before. It is not a matter of being narrow or anything of the kind. They have been obliged to cut their operating costs to the limit, and they feel it is just simply a matter of common justice that these men who sell our cattle and our other livestock and between whom there is the closest kind of a personal relation should make the same economies in the operation of their business that the stockmen have been forced to make in their operations.

I know of many men who thought they were fixed for life, who had been taking it comparatively easy, who have been obliged to discharge their foremen and move back on the ranch and work long hours, and they show the strain of that condition. We are just simply asking cooperation when we urge that in working out your new schedule that you be perfectly fair to the commission men and that you be perfectly fair to the industry. Furthermore, it is quite essential as a means of removing a discrimination between markets that commissions having been largely determined at the principal western markets, that matter should be hastened to a conclusion at the other markets.

Mr. Boyd referred to the arbitration case in which, of course, our Association was interested and in which I tes- [fol. 379] tified as a producer.

I would like to say that the result of that arbitration was a distinct disappointment to the livestock industry, that we know we could have secured lower commissions by direct negotiations. We had completed, practically, negotiations at least at the Omaha market where we could have saved several dollars a car compared with the arbitration award.

I simply mean to indicate that there are some practices that we think are unduly expensive and that as business has been driven away from the markets or has left the markets for whatever cause it becomes a physical impossibility for the industry to pay a commission rate that will support the number of firms and the number of employees that were required to do a much larger volume of business.

In regard to the practices, I would like to refer particu-

larly to the matter of advertising, soliciting, business-getting, examining of livestock, advising as to shipping, sorting and etc. I think that the greatest saving that you will be able to make very likely will come in that item. I have always taken the position that a reasonable amount should be allowed for that general combined purpose of advertising which it all boils down to in the end. Some of our people, some stockmen do not go that far and say that there should not be any allowance made. I have been willing that there should be a reasonable allowance, that the Secre- [fol. 380] tary should determine from examination of all the facts in the matter, and when the allowance has been made, I think it is immaterial to the livestock industry how the commission man spends it.

If he is allowed one dollar a car or $1.50 a car, he can spend it in mail advertising or in sending a solicitor out in the country, and so forth, but I think that system can be made entirely too expensive to the extent that it becomes simply a matter of trying to take the business away from another firm or from another market. It is of no real value to the industry, and I think it should be regulated in the common good.

I have had quite a little experience along that line when I was with Kent and Burke in Nebraska. Our ranches where we fed and fattened for the market were about 100 miles west of Omaha, and along in the late winter and early spring we had lots of solicitation from Chicago firms who were quite out in what we generally considered Omaha territory. We had occasional visit- at the ranches from Omaha commission men. We seldom, if ever, asked them to come. They usually came of their own accord. We were glad to see them, glad to show them the cattle, glad to take them around and tell them who had cattle in the neighborhood and introduce them, but when that kind of a service is expanded to the point that it is used as the base in making a commission rate more than is required in what I have referred to as an advertising fee, I think the majority of livestock producers are entirely willing to forego it.

[fol. 381] I have talked with large lamb feeders very recently about this matter; they ship to this market, and they say they are perfectly capable of sorting their own lambs and that the prime consideration today is to reduce com-

mission charges and they want to forego that service if that is one way to bring about a commission charge that they can afford to pay. In all that I have said, relative to economies, I think the same thing applies to the cooperative firms that does to the old line firms. I realize that the shippers to cooperatives have a little different interest in the matter. At the same time, I think that anybody can make better economies in their own operations if they are relieved of this unlimited competitive condition and that it will react to a net saving to the benefit of the whole industry. I know that Chicago solicitors come clear out into the territory close to Denver and I recall that there was an effort made at the Denver market a little time ago to limit solicitation, and that the cooperatives and the old line commission firms could not get together on the matter, because they felt that although the Denver firms lived up to their agreement, some of them had agencies on other markets and they could send solicitors from the other markets into territory tributary to Denver, and it is a system that has grown to be very very expensive. When there are many lambs coming to this market from northern Colorado and western Nebraska and those concentrated feeding areas, they actually have to shoo solicitors out of the chutes to load the sheep before they can get them loaded, there is such competition, sometimes six or eight people there at one place trying to get the business and that is not doing the industry a bit of good.

[fol. 382] I do not wish to attempt to make any specific recommendations as to rates, except to say that I believe the practice of a straight carload rate should be adhered to as has been followed at the other markets where decisions have been made, and I think that cattle and calves, as of one species, when unmixed with other stock, should be considered straight carloads, which I think is now the common practice. I have spent a great deal of time at various live stock markets, and have been on the Chicago market and seen sales made occasionally.

"Mr. Miles: I will ask you this: In your opinion, how many carloads of cattle should a salesman of ordinary efficiency sell in the course of a year? I want you to consider that there are good days and bad days, rainy days, sunshiny days, take it throughout a year. Just how many carloads

of cattle do you think a salesman should sell or could sell if he had all that he could do?

Mr. Boyd: I object to the question. The witness has not shown that he has ever sold any cattle on the Chicago market at any time as a salesman, and that it would be a mere opinion and have no binding effect upon these Respondents.

* * * * * * *

Mr. Miles: Mr. Examiner, I think that if counsel will read the Omaha case again, he will see that the criterion is not what a man does do, but what he could do. I think the question is perfectly proper. The witness has testified that he has observed salesmen.

The Examiner: Objection overruled.

The Witness (continuing): Well, I never yet saw a cattle salesman that placed any particular limit on the number of cars that he could sell, if he had them to sell. I would, in answering the question, base my answer on a 200 selling-day year, which would be practically four days a week, and I [fol. 383] think that any salesman would say that he could sell at least ten cars of cattle on any day, if he could get them to sell, and that would be a minimum of two thousand cars a year applying to cattle.

Mr. Miles (continuing): Would you give us your same opinion as to calves, hogs and sheep?

Mr. Boyd: I move to strike the answer for the reason that what a salesman might say or what he will say during the process of this hearing, say about different things, that he believes that a salesman will say that he can sell ten carloads of cattle daily, there is no foundation for the reason indicated that any salesman has told him that on this market, nor has he given any consideration to the situation prevailing on this market today.

Mr. Miles (continuing): I will ask you, Mr. Mollin, if that is your opinion, that a man could, under the circumstances named, sell two thousand carloads a year.

A. Absolutely."

"Mr. Miles (continuing): Will you give us your opinion then as to selling hogs, sheep and calves?

A. I have no opinion as to sheep, because I do not pretend to be well-posted in regard to the handling of sheep, and I cannot say that I have ever had any great experience

in the handling of straight carloads of calves. It depends a little upon what you mean as calves. Of course, if you are thinking of calves coming in here as dairy calves, I do not know anything about it. If you are thinking of straight carloads of feeder calves from the West, which might run up to four hundred or five hundred pounds in weight, anywhere from three hundred to five hundred pounds, there would be no great difference in the number that a salesman could handle, if he had them to handle. It would be a matter of straight carloads. As to hogs, it is my opinion that possibly a salesman would have difficulty in handling quite as many as he would in cattle per day, for the reason that hogs are mostly individual carlots, whereas cattle often come in shipments that would range from one to ten carlots in a shipment or very frequently one to five carlots so that where you could not only sell, you might be clearing up five cars of cattle, while, with hogs, it would have to be practically every sale, an individual sale. To that extent, I would think it would be a pretty poor hog salesman that would say he could not sell ten cars of hogs in a day."

[fol. 384] I can only say that I think shippers go to a market, when they think it is in their interest to go to that market, when the charges are reasonable; and when they become convinced, for one reason or for various reasons, that it is not to their best interest to go to that market, they seek the other way of marketing their livestock.

The witness stated that he had not attempted to discuss the Chicago situation specifically with live stock shippers to the Chicago market.

I think I have made my position clear, that I have not attempted to discuss the Chicago situation specifically with shippers. I do not go into the question of individual markets. We are a general organization, and furthermore, I, as I said, have been in Washington almost constantly since early in February immediately following our Ogden convention, and I have not been to a single convention of livestock producers, because of my absence in Washington. I had to cancel two or three trips that I was supposed to take and I have not attempted to load up for this case. I am just telling you what our people think about the commission rates, and that applies to Chicago, applies to Denver, and any other market that the rates have not been reduced.

[fol. 385] "Mr. Boyd: Mr. Examiner, I would like to know who these people are that are doing the thinking; I would like to know who the shippers are that comprise his organization, that he thinks indicates that the Chicago rates are too high, and that is the question I ask the witness. He persists in dealing with this as a special composite view of shippers. I think if he has any, if he knows the name of any person, that he should be required to state it in response to my question.

The Examiner: As I understand it, Mr. Boyd, and apparently Government counsel puts the same interpretation upon it, that he cannot give the name of any specific shipper who has made complaint in regard to commission rates here at Chicago, and I believe Mr. Miles puts the same interpretation upon that. Is that right, Mr. Miles? All I want to do is to get the facts, as far as I am concerned.

Mr. Miles: The way I interpret it is just as the witness stated it and I would not want to interpret the witness' language."

"Mr. Boyd (continuing): When was the last time you were in the cattle pens at the Chicago stockyard?

A. Last December I guess.

Q. Did you observe livestock being sold by a salesman at that time?

A. No, sir.

Q. When was the last time you observed a salesman in the cattle alleys on the Chicago market?

A. I have not been active in the livestock business since 1928.

Q. And have you observed any sale or any transaction made by any salesman or any transfer of livestock on the Chicago market since 1928?

A. Yes, I have been in the yards since 1928 several times, but I have not learned anything that I did not know previously about it.

Q. Did you follow a salesman and observe his work at that time?

A. I didn't just exactly follow him around; I have been in the pens and seen him, seen some actual selling.

Q. What salesman were you with at that time?

[fol. 386] A. I was in numerous pens; I could not tell you just exactly who.

Q. Do you recall the work done by any particular salesman at that time?

A. It has been my practice, when I came here, to look up my old friends that we used to ship our cattle largely to—Rosenbaum Brothers and Company and Luke Conover of the National—I have dropped into their pens two or three times since I was with the Association, but I have not followed them around like a dog by any means.

Q. Upon what do you base your opinion that a livestock salesman can sell at the present time on the market ten carloads of cattle a day; just what factors do you take into consideration?

A. Well, I never saw any livestock salesman that could not sell ten cars of cattle in a day if he had them to sell. I have seen them sell so many more than that number of animals, on occasion, without apparently straining his ability, that I think I have been very reasonable stating it at ten cars a day.

Q. What salesman do you have in mind as selling ten cars a day?

A. Now?

Q. Yes.

A. I am testifying from my experience as to what I think they can do. I think any of them can sell ten cars a day if they can get them, that is my testimony.

Q. Are you familiar with the marketing situation at Chicago at the present time and the manner in which the livestock is received?

A. Well, I am familiar with the situation the way it was when I was shipping cattle here, and I do not assume that it is much different than it was then, but my testimony was based on my own experience and not on conditions today, but if you can show that conditions are vastly different, I presume that will be in the record.

Q. Have you been in the hog pens in Chicago since 1928?

[fol. 387] A. No, I never shipped very many hogs to Chicago. Our hogs mostly went to Omaha, just an occasional car.

Q. What is the per head rate for selling cattle at Chicago at the present time?

Mr. Miles: Mr. Examiner, that is a matter of record and the record speaks for itself.

The Examiner: Well, as I understand, he wants to find out how familiar the witness is with the general situation.

The Witness: I used to know pretty well, but——

Mr. Boyd (continuing): Well, can you tell, without an examination of the tariff?

A. No, I would not care to put it into the record, because I do not have occasion to refer to it.

Q. Do you know what the carload rate is in Chicago for selling straight cars of cattle and calves?

A. I do not at the present time. I have not made any study of it since I left Kent and Burke.

Q. Do you know what the rate is for selling hogs?

A. No, sir.

Q. But, still, you think the rate, whatever it may be, is too high?

A. I know approximately what the rates are, but I know that they are above the average of the markets where the rates have been adjusted, but I do think they are too high, and I am not going to guess at what they are and put it in the record wrong.

Q. How can you believe they are too high when you do not know what they are?

A. I have had occasion to study these rates, but I have a great many matters to attend to, Mr. Boyd, aside from commission rates: I have been dealing with a host of other matters in the last three months.

A. You understand that this situation, so far as these respondents are concerned, is one of great moment, vital to their existence?

[fol. 388] A. Yes, sir, and if they can justify the existing rates, we will accept them, and if they cannot, we want a reduction.

Q. But you come here and testify that you believe the rates should be revised downward, when you indicate to the Examiner that you do not know what the rates being charged are.

A. I do not know, to the penny, just how much your rates exceed the rates at the other markets where rates have been established on cattle at $15 to $15.50 per car, I know it is considerable above that.

Q. Do you know that the charge for selling cattle at Chicago is $1.00 per head?

A. No, sir.

Q. You do not know whether it is $1.00 or $1.10?

A. I know it is not $1.00 on the carload rate.

Q. Do you know what is is, then?

A. I have it right here, if you want it.

Q. But you do not know what it is?

A. I do not attempt to carry it in my head. I know that it is higher than it is at any other markets where the rates have been adjusted, substantially higher.

I have no information with reference to cost of rendering service at Chicago. It was not a question of how many firms made money but how many can be supported on the volume of business that is available.

"Q. You indicated that you thought that there might be too many livestock commission men engaged in business at Chicago—firms or something like that?

A. Well, I understand there are about the same number of firms as there were when you were getting more livestock. That is the extent of my information on the subject specifically, but generally speaking it is considered that the business is over-manned at Chicago and a good many other points.

[fol. 389] Q. What is your opinion?

A. Well, I have always felt that it was over-manned.

Q. Do you know how many livestock commission firms are engaged in business at Chicago?

A. I understand there is something like 120 registered.

Q. 120 firms selling livestock?

A. Yes, sir.

Q. Do you know what the volume is?

A. No, I haven't the figures in mind.

Q. Do you have the information as to any particular firm?

A. No, sir.

Q. But generally you think there are too many people in business?

A. That is the general impression. I have heard the commission men admit it themselves, maybe not in Chicago, but that is an accepted principle in the industry.

Q. Accepted by whom?

A. By the industry in general.

Q. What do you mean—"by the industry in general"?

A. Wherever you hear the matter discussed—I have never heard a commission man deny that there were too many of them in the business, but they seem to have been powerless to regulate it.

Q. Do you recall the recommendation made by the arbitrators and the statement made by the arbitrators at the

time they rendered the award touching upon that subject?

A. No, I do not.

Q. Is it your opinion, Mr. Mollin, do you agree with the arbitrators in the statement that 'It is the opinion of the arbitrators that market agencies which conduct a reason-
[fol. 390] ably efficient business should not be arbitrarily denied a reasonable margin of profit for the capital, responsibilities and risks involved?

A. A reasonable margin of profit——

Q. —for the capital, responsibilities and risks involved?

A. Well, I think I could sum up my position without going into detail and say that we are perfectly willing to have a reasonable commission charge established that takes in whatever are the proper factors in the establishment of a commission charge. I haven't heard a lot said about what profits or what you figure profits on. Some men are running a small business of their own and their profit is to draw a reasonable salary or drawing account, so I think the other covers the question of reasonable commission rate. I said I was in favor of that.

Q. The arbitrators state as a conclusion, make the following statement in their report: 'In reaching a conclusion as to what, in their judgment, will be a fair charge for the producer to pay and a fair compensation to the market agencies for the services rendered, the arbitrators have in mind that it is not within their province to pass on the question of whether a firm has a right to act as a market agency, but they have approached it from the standpoint that the compensation should be reasonably remunerative to those efficiently functioning as market agencies. It would not be to the advantage of the livestock producer to bring about arbitrarily such conditions as to cause necessary talent to seek a field for its services other than with a livestock market agency. It appears that the producer and the shipper should be the best judges as to the quality of service furnished them by the several market agencies and as to whether the service is satisfactory. It is entirely within the power of the patrons of the market to withhold patronage from those market agencies that fail to give satisfactory service. Herein lies an effective means, available to the shipper, of improving market services.' Do you subscribe to that opinion?

[fol. 391] A. Well, hearing it read rather hastily, I think I do.

A. Would you take and examine it?
A. I think the hub of it is—where does it start?
Q. Right here in the middle of page 9.

(Counsel for Respondents hands award to witness).

A. I think Mr. Boyd, the whole thing is contained in this sentence: 'But they have approached it from the standpoint that the compensation should be reasonably remunerative to those efficiently functioning as market agencies'—I think that is the hub of the whole thing. I think that is a reasonable statement.

Q. And you agree, I think, that the most efficient firm from the standpoint of the shipper or the man that has livestock to sell, may not be the man who has the largest volume of business?

A. Well, of course, I think the word 'efficient' there refers not only to the selling but also to the efficient operation of a unit having an efficient volume of business, as well as to the salesmanship. That is the way I understand the meaning of what you just read.

Q. You understand, of course, that that can only be limited by action of the shipper himself in the choice of his market agency?

A. Well, here is the way I understand that: I will grant that Mr. Conover, we will say, might have a big run and make a satisfactory sale, and some other salesman might have one-third as many and might get just as good a sale or might even get a nickel more in some instances. That is up and down one day with another, but it is my understanding that what the arbitrators had in mind was that even though that small firm might make just as good a sale as the larger firm, that in working out what is a reasonable commission charge, it has to be done on the basis of an efficient organization from the standpoint of handling a reasonable volume of business. We may have one firm out here handling two cars of cattle a week that may make a cracking good sale of those two cars of cattle, but you couldn't establish a commission charge high enough to give them pay for being in business a week. That is the way I understand the phraseology there that you have just read.

[fol. 392] Q. But the statement is to the effect that the shipper, after all, decides where the volume shall be?

A. Yes, sir.

Q. He makes the choice as to what firm to ship to and if there be too many, it is because the shipper chooses to patronize all of the firms that are here?

A. Too many what?

Q. Too many firms, if there be too many firms it is because they are patronized by the shippers, they make the selection?

A. Yes, but I think it is quite evident that if there are people here that have got a very small business and if they elect to hang on, and the present commission rate or any reasonable established rate doesn't give them a fair profit, that is something that just can't be helped. If they elect to stay in business without an efficient volume to operate on, nothing can be done about it.

Q. If the record shall show, or should show and will show that there are large firms with large volume doing what you might term, which you would term yourself an efficient business, and the results of those operations do not result in any profit or in a small profit, at least not an unreasonable profit, would you still believe that the rates should be reduced?

A. I would if there are items of expense in there that are not justifiable.

Q. Now, with reference to advertising, you indicated that your were of the opinion that—you expressed an opinion about advertising, soliciting business, advising as to shipping and sorting, and so forth; what limitations do you think ought to be placed on those activities?

A. I think I gave that in my direct statement, Mr. Boyd, the limitation should be through the amount that the Secretary allows as a reasonable amount to be spent in that fashion.

Q. Per car?

A. That is the way he works it out, on a per car basis.

Q. How would you go about working it out? You have expressed an opinion as to the amount, you have said $1.00 or $1.50?

[fol. 393] A. I think anybody who would work it out would have to make a study of your market.

Q. Upon what do you base your opinion that $1.00 or $1.50 would be ample for the purpose?

A. I didn't say it would be ample. I just used that as a reference. I didn't say it was too much or too little.

Q. Would you think that $3.00 a car would be too much or too little?

A. I would think it would be too much.

Q. For what purpose?

A. I don't see where it benefits the industry. In other words you want to take $3.00 out of every car we send you and apply it not to the profit of your concern, but to spend for a service that I know a great many stockmen do not want money spent for. That is why I say I am not attempting to say just what is reasonable, but I don't see——

Q. You say you know a good many stockmen who don't want that done?

A. Yes, sir.

Q. Can you name them for me?

A. I did name some of them. Perhaps I referred to Mr. Farr as having discussed that matter with him, and it has been the hub of all of these commission rate hearings because that is where the biggest saving is possible, and we don't see why you shouldn't be willing to cooperate and cut down that cost and give us the benefit of reduced commissions. We need it.

Q. Do you know what the amount spent at Chicago is for that purpose?

A. No, I am perfectly willing to let this record stand for itself on all these things.

Q. But you are not willing to agree that the commission men are exercising good, sound business judgment in the expenditures that they make in serving their patrons through the matter of sorting or otherwise or in furnishing market information or things of that nature?

[fol. 394] A. Well, Mr. Boyd, I would say that I don't see that Firm No. 1 sending a man out to Ft. Edward, Nebraska, today to solicit shipments, to be followed by a man from Firm No. 2 tomorrow, each one of them trying to get the business, is rendering the shipper out there any particular service. Now, if you want to spend part of your profits or your whole advertising allowance or whatever it is in that fashion, I haven't any objection, but I think that business can be overdone and I know it is badly overdone at many times.

Q. Don't you believe that instead of basing your opinion on an isolated case, or where it happens that we have people, salesmen, or solicitors during a period of heavy ship-

ping that are in that district trying to get the business and maintain their own business, that a careful examination as to the reasons for their presence there and the effect of that solicitation should somewhat govern the opinion of the person finding an amount reasonable or unreasonable?

A. Well, I think the spirit of the times is to cut out what might be referred to as cut-throat competition in every line of industry. That is very apparent in legislation that has been proposed in Washington, too, in the settlement of your milk strike here in Chicago by Government intervention. It does not help the industry a bit to have Chicago commission men out there in eastern Nebraska trying to persuade these people to not ship to Omaha, and the Omaha commission men have to send their men out to persuade them that Omaha is the best market. I think I take a liberal view of that compared to what some people do, and when I say that I am really in favor of a reasonable charge and I am not attempting to say what that reasonable charge should be, I am willing to let you make your record on it and your audit will show how much money you are spending and the Secretary will determine as to whether that is justified.

Q. What I am attempting to get into the record is to try to confine your testimony to its proper limits, so when the Secretary reads it he will understand what you mean. I gather you have criticized the expenditure for advertising. Do you know what advertising they do at Chicago?

A. I don't think that statement was justified by anything I said. Again I will leave the matter to the record. I came here to testify to the interests of the livestock industry in this proceeding and in this general matter, and we are not attempting to say what the rates shall be. We want the Secretary to know we are interested, and we want the record to be complete, and then we are going to abide by the decision.

[fol. 395] Q. You haven't registered a complaint with the Department of Agriculture since 1923, your association has not, has it?

A. No, sir. We have the Packers and Stockyards Act, but we have been hoping to get around to you long before, but it hasn't been very fast.

Q. But when it was first organized you did file a complaint?

A. Yes, sir.

Q. And that was adjusted as I have indicated by arbitration and since that time you have filed no formal complaint with the department?

A. We have filed no formal complaint with the Department simply because we have been assured that these matters would be handled just as expeditiously as possible, starting with the Omaha case, but we couldn't do anything until we got the Supreme Court decision on that case.

Q. I understood you to say they didn't start the Omaha case but the Omaha people started it themselves.

A. I have no doubt something would have been started the way things have gone, but we didn't have to, the commission men started it.

Q. Do you believe that the rates of the commission should be based upon market prices received for livestock?

A. No, sir.

Q. What weight do you think should be given to those prices?

A. Very little, if any.

Q. Then you don't contend that by reason—and your association in the adoption of this resolution does not contend that Chicago rates should be arbitrarily reduced merely because the market levels have been somewhat less than previously, at the time the rates went into effect?

A. No, sir, I think I made my previous statements quite clear on that.

Q. And you do not think also that they would be justified [fol. 396] in raising their rates because the prices advanced?

A. No, sir.

Q. And that if the livestock commission men at Chicago sold livestock at approximately twice the value per hundred weight after the award was made as compared with the prices that existed at that time, that there would not have been justification for raising the rate?

A. Not unless the factors that make up the commission rates justified it.

—. Now, if a livestock commission firm, any you are familiar with, in the conduct of its business—in the first place, do you believe that livestock commission men are capable at Chicago of operating a business efficiently and have sound judgment with reference to whether they shall expend certain money for certain purposes?

A. Well, that is a pretty broad question. There are a lot of your commission men that I don't know, and I think that people are often forced to do things under competitive conditions that are not entirely sound, and it is my hope that this decision will in a measure be beneficial to the commission men in removing some unduly competitive conditions.

Q. Do you believe that such a restriction should be made upon the amount of money that might be expended in business getting and maintaining as to prevent livestock commission men engaged in business here spending a sufficient amount of money to combat certain types of marketing that in their opinion are not beneficial to the shipper?

A. Well, I don't believe that you could take in as part of your base for determining a fair commission charge any sum of money that you might want to spend to combat direct marketing.

Q. Do you know whether or not livestock commission men have curtailed their expenses at Chicago during the past two or three years?

A. No, I haven't examined the audit at all.

Q. Do you know whether they have already made effective these economies that you indicate should be made?

[fol. 397] A. No, sir, the record will show.

Q. Do you know that there is a limitation placed upon the amount of solicitation that any firm may do at the Chicago market.

A. By registering out, you mean?

A. Yes.

A. I don't know. I know there was such at Omaha. There may be at Chicago, I am not informed.

Q. Well, you do understand that that is an attempt to place reasonable limitation upon the right of a man to solicit business?

A. That would limit the activity, yes, sir, to a certain extent. I don't know what the limit is though, if you have such a limit.

Q. You mentioned Mr. Conover a moment ago. Would you think that Mr. Conover would exercise sound judgment in the attempt to maintain his business on a proper, sound basis by retaining the shippers that he has and getting new ones, or do you think that he would spend an exorbitant sum of money for that operation?

A. I think if everybody else was spending an exorbitant

sum of money, that he would have no option in the matter. He would have to try to meet the competition.

Q. And do you believe that his judgment would be sound with reference to the amount that he would spend for that purpose, so far as his particular expenditures were concerned?

A. Why, I have a very high regard for Mr. Conover. I think he would do the best he could in view of the conditions that existed."

Cross-examination:

"Mr. Boyd: I would like to ask one question, Mr. Mollin, let us assume that the statement of the arbitrator is correct, and when the rate, which is being charged, is assessed against the owner of livestock, that such owner or seller [fol. 398] will not pay too much for the services to be rendered and that the commission man will not receive too much in the application of that tariff. If that condition is true, and this tariff was put into effect in September, 1923, will you be good enough to relate what reasons you have to advance for an assumption that the rate should be reduced, taking into consideration the fact that you have indicated that you did not believe that rates for this service should be based upon the price of livestock, and the fact that you believe that the rate which is determined should be a fair one.

The Witness: Did you say in 1923 or 1928?

Mr. Boyd: No, the tariff became effective at Chicago following the recommendation of the arbitrators, and its approval by the Acting Secretary of Agriculture, September 15, 1923, and has since been in effect.

A. Well, we consider that the Packers and Stockyards Administration has facilities to go into these matters, perhaps even in greater detail than was the case in the arbitration award. As I stated, we were very much disappointed in that award, but we are perfectly willing to allow this new investigation, to determine whether the award was correct or whether it was not correct, and we are going to abide by the decision until conditions are materially changed.

Q. Did you understand that I asked you to relate, if you can, the reasons which you have for believing that the rate, if fair in 1923, under then existing conditions and being

charged throughout the years since that time, and livestock advanced very materially, what reason would you have for believing that if they were equitable and reasonable in 1923 and the years thereafter, that there should be a reduction now?

Mr. Miles: Will the reporter read the question, please?

(Whereupon the question was read.)

Mr. Miles: 'If fair.' This witness has testified that he did not think the rates were fair. They were not satisfied with them.

The Witness: Well, there has been a considerable change in economic conditions that might affect the cost of rendering service. There might have been some change in the matter of competitive conditions that would affect the expenses of the operating firms. I think that this investiga- [fol. 399] tion should bring out all the facts in the case.

Mr. Boyd (continuing): I will ask you, Mr. Mollin, to assume that the cost of doing business per unit handled at Chicago, has increased substantially since the award was made applicable to Chicago, and that the unit cost of handling livestock today is very considerably greater than it was in 1923, due to a more complex condition on the market, and if you believe, taking those circumstances into consideration, that *if* the rate was fair at that time, it would certain- be fair now?

A. Well, I would feel this way about it, Mr. Boyd, that a schedule which might have been fair in 1923 might need revision now, due to changes that are developing in the marketing conditions. For instance, I have talked with men who have been in the administration who have been interested in fixing these rates and they think that it is quite a problem of fixing the rate high enough on these small drive-in-shipments or consignments to properly repay the commission men. I think, of course, there has got to be a separation between a drive-in-schedule and a flat carload schedule, and that conditions that might have altered relative to the handling of drive-ins and still not have substantially altered relative to the handling of full carload shipments, with which, of course, our people are most concerned.

I have also heard that where they do have the higher rates, I am not sure just how it applies at Chicago, but

where they have a higher per head rate on drive-ins, that some of the people who truck in the equivalent of a carload shipment feel they are discriminated against when they pay more than what would be a flat carload rate, but it seems to me that it is a matter for solution in the truck-in schedule and not a matter that should require the upsetting or the changing of he carload schedule as such."

[fol. 400] EUGENE M. HUGHES, a witness called by the Government testified as follows:

Direct examination:

I live at 7622 Phillips Avenue, Chicago, and am Secretary of The Chicago Live Stock Exchange; have occupied that position for seventeen years. The object of The Chicago Live Stock Exchange is:

"The object for which it is formed is to establish and maintain a commercial exchange; to promote uniformity in the customs and usages of merchants; to provide for the speedy adjustment of all business disputes between its members; to facilitate the receiving and distributing of livestock, as well as to provide for and maintain a rigid inspection thereof, thereby guarding against the sale or use of unsound or unhealthly meats; and generally to secure to its members the benefits of cooperation in the furtherance of their legitimate pursuits."

The memberships in The Chicago Live Stock Exchange are held by individuals, and the Exchange publishes and observes certain rules and by-laws. (The witness identified Government Exhibit No. 14, being the rules and by-laws of The Chicago Live Stock Exchange for the year 1929, consisting of 62 numbered pages and also certain inserts.)

Exhibit 14 constitutes the rules and by-laws of the Exchange as of that date. The duties of the Secretary are to attend meetings, keep records of their meetings, and also to take care and preserve their books and records, and such other duties as naturally fall upon the Secretary.

[fol. 401] Any person of good character and standing engaged in the livestock commission business at Chicago Union Stock Yards, may become a member provided he can meet the requirements. It is necessary to purchase a membership in order to become a member, and it may be purchased from the Exchange or some other member desiring to transfer his membership. Everyone engaged on the market is not a member of the Exchange; no person in business on the market necessarily has to be a member unless it is his desire. There is nothing in the rules compelling commission men to be members. If salesmen act for a firm which is affiliated with the Live Stock Exchange, that salesman must be a member.

Unless owners are exempted under Rule 25 they must be members of the Exchange. Certain activities are carried on by the Exchange in behalf of its members or its affiliated organizations at Chicago. Some of these activities are a system of hog dockage, which requires an inspector at each scale in the hog alley, together with the chief inspector who has charge of all the scale inspections. They are employed for the purpose of docking hogs that are sold on the market by members of the Exchange to buyers on the market, for the purpose of establishing whether or not there should be any allowance made for piggy sows or stags. The dockage activities are under the direction of the Hog Inspection Committee. Government Exhibit No. 14 contains the provisions governing the conduct of the hog inspection. It is not a part of the rules, but under the [fol. 402] rules and by-laws of the Exchange the Board of Directors established the system and lay down such rules and regulations as they deem necessary. This service has been offered to all agencies operating on the Chicago market, but all agencies have not availed themselves of the opportunity. The charge paid for the service in the case of carloads is 25¢ per car, and in the case of truck shipments or less than carload shipments, a charge of one cent per head up to 25¢, thereafter no charge. The charge is assessed against the shipper or the owner of the hogs. This service is extended to traders and they pay on a weight basis—25¢ for every 17,000 pounds. In the case of any dispute as to dockage, declared by the inspector, then it is referred to the chief inspector and in the event that the buyer and seller is not satisfied with the chief inspec-

tor's decision, it can then be referred to a committee of arbitration.

The committee is constituted under the authority of the Board of Directors of the Exchange. The charge for hog dockage is made against all hogs arriving at the market which are consigned to commission firms who have availed themselves of the opportunity afforded by the dockage system.

The Exchange engages in the activity of broadcasting market reports over station WLS twice each day; Mr. Poole does the broadcasting. It is supported by an assessment against the various firms, the basis of which is 10¢ per car for all cars which they handle during the month, [fol. 403] incoming business only. The broadcasting is confined strictly to market information,—there is no advertising or no propaganda broadcast. Only one order buyer is now a member of the Live Stock Exchange.

The Exchange, in cooperation with the State of Illinois, handles the inspection and tagging of reactors and suspect cattle. The State of Illinois does the physical work in the yards of tagging the cattle and the Exchange does the clerical work and reporting the disposition of the animal to the commission firm, who, in turn reports to the country. There is a charge of 10¢ per head to cover the expense of tags, printing and other service in connection with it. The charge is made by the Commission firm, paid to the Exchange and collected from the shipper. The Clearing House which is maintained in the Chicago market is not under the supervision of the Exchange, but is handled by Mr. Cranston and maintained by a monthly rental against each commission firm. This service is in no way connected with the Exchange, it being my understanding that the Clearing House is a private enterprise carried on by Mr. Cranston.

The Exchange maintains a claim department for the service of handling loss and damage claims for shippers against railroad companies on consignments of livestock to and from the market, which is supported by a charge of 15 per cent for the collection of the claims, and in the event that claims are sued on there is a charge of 33⅓ per cent on the amount recovered. The claim department is handled under the direction of the officers of the Exchange, or the Board of Directors. The Exchange firms

[fol. 404] do not handle their own claim service. It is under the supervision of H. R. Park. The Chicago Live Stock Exchange does not interest itself in an active way in livestock sanitary regulations or livestock promotion work at the present time; that was discontinued about 2 and a half years ago.

The Exchange has an insurance policy covering all livestock except horses and mules, while on the confines of the Union Stockyard and Transit Company; and it is a blanket coverage covering all livestock consigned to member firms against fire, or mixing occasioned by fire. It is paid for by an assessment against the shipper collected by the commission firm. The traders contribute a part of the premium as do the packers.

The Live Stock Exchange collects the funds for the benefit of the National Live Stock and Meat Board which is a charge of 25¢ per car which was requested by numerous livestock shippers, and is covered by Rule 42 of the Exchange. The Exchange assesses its members for funds to support general activities, and the expense is equal to all members. All of the privileges and rights which are attached to a membership are covered by the rules and regulations. The Chicago Live Stock Exchange, through Mr. Park, traffic manager, participates in matters on cases involving transportation charges, and the Exchange does not realize anything with respect to the outcome of these transportation matters. The money expended incident to this rate proceeding out of 1932 funds has not been reflected in the audit.

[fol. 405] The Chicago Live Stock Exchange has between 440 and 450 memberships, which is less than they have had. I do not remember offhand how the number compares with 1931, but I think it would not be materially different, perhaps eight or ten members fewer in 1931 than in 1933.

The memberships have been decreasing a little each year. The memberships assessment was $40.00 per member during 1932. The assessment was about the same in 1931.

(Government Exhibit No. 14, being the Rules and Bylaws of the Chicago Live Stock Exchange, was received in evidence.)

The Chicago Live Stock Exchange does not engage either in the buying or the selling of livestock on a commission basis.

Mr. Gerald J. Svoboda, a witness called by the Government, testified as follows:

Direct examination:

I live in St. Louis, Missouri and am a senior accountant employed by the Packers and Stockyards Division of the Bureau of Animal Industry, U. S. Department of Agriculture and have been so employed for the past ten years.
[fol. 406] I have done various kinds of accounting work for the Government in connection with the Stockyards rate case, trade practices and general investigations and on commission rate cases.

Reported on the assignment for Chicago for auditing the accounts of respondents in this case on September 15, 1932 and completed my assignment on April 9, 1933; in doing so I employed 37 people including myself and Mr. Bachmann. Of the 37, fourteen were temporary clerks that were hired to assist in preparing the statistical data for this case. There were five other accountants working with me in the preparation of the data for use in this case. I was working under the direct supervision of John J. Bachmann, chief accountant for the Packers and Stockyards Administration.

I have before me my blue audit for firm No. 1. On the first sheet, second item, the first item is commission—selling, followed by a figure. That is the ordinary selling done by a commission man. The next item is marked "Selling service—hogs". The difference between the two items is—that is the amount of commission that they receive for selling another firm's another party's hogs. It is not strictly commission like you would say in the first line. "Commission selling" is for selling their own consignments and where it is marked "selling service" that is selling for another person. The "commissions paid, selling service" is of the same nature as "commissions paid, selling service received" only it just works the other way; some other [fol. 407] firm sold the livestock for this firm.

"Mr. Miles: On this firm No. 1, will you please mark that Exhibit 15-1; in other words, gentlemen, I propose to number both the instructions as to the auditor and each and all of the blue audits as No. 15 and then the dash 1 will differentiate."

On first column of the second page, appears the word "straight"; under that is cattle, ditto, and then hogs, ditto. Against the word "cattle" is S. O. and also P. O. "Straight" means straight cars, either containing all cattle or all hogs or all sheep, but containing one species only,—one species of livestock. Calves are included in the word "cattle". You find that under "cars", the third section. If we have ten cattle and ten calves, that would be classified under the second section, "Mixed No. 1". "Cattle S. O." means single ownership, that is, owned by one shipper only. "P. O." stands for plural ownership, a consignment owned by more than one shipper. If ten cattle were owned by ten different individuals but shipped in by one association; if they were handled as a single ownership consignment, that is, the single ownership rate applied, we handle it as a single owner,—as one owner. If a specific account sale were not asked for by each owner who shipped in that association load, we would treat it as a single ownership. Each employee had a copy of the tariff. I have reference, say, to a carload of hogs. They would not make any pro-ration, and you could not tell whether it was owned by just one or more owners, but could tell from the application of the tariff, that is the [fol. 408] $14.00 or $15.00, whether it was handled as a single ownership consignment, and we considered it as such in the tabulation. We went according to the account sales at the time. We used the tariff in determining whether they were single or plural ownership. Of course, in cattle, it was a whole lot easier, because they show the brands on the account sales. "S. D." under the word "cars" means single deck, and "D. D." means double deck.

The next column "head" indicates the number of head, and the next one indicates the number of owners. "Account sales" means the number of account sales that were issued. One account sale to each owner. The number of drafts indicates the way they were weighed over the scales at the market, the number weighed at a single time over

one scale. In all of the blue audits we have followed the same method.

Taking the next item, which is marked "mixed" then there is a sign for number "Mixed No. 1"; under that "Cattle, Plural Ownership, Calves, Plural Ownership"; under that classification Mixed No. 1 covers cars containing cattle and calves only, and Mixed No. 2 represents any combination representing cattle and hogs or cattle, hogs and sheep, or represents cars arriving at the yards containing more than one species, except cattle and calves, which are classified as Mixed No. 1. The next item is "truck" and it indicates in the first column the number of dollars received as commissions for selling cattle arriving by truck, calves arriving by truck, and so forth.

[fol. 409] Under the next is the word "Speculator"; that represents sales made for yard dealers or traders on the yards. That balances with the amount set up on the first page on Exhibit C. Referring to the next page, called "Schedule", the caption "Owners No. 1 Selling—Cattle 12 months" and then the number of dollars; that is a statement of salaries, using the code as to owners or employees, whichever they might be, and shows the major classification as to whether they were cattle salesmen, hog salesmen, the number of months worked, and the amount of compensation received.

Under No. 1, selling,—cattle, that indicates that No. 1 is a salesman by some name who is an owner of a firm, and that he was at work for 12 months. The total compensation for one year is given. The next item "non-owners with the figure 3, yarding, extra, all species"; that represents extra service that is hired in the yards to help with the yarding. In commissions paid, opposite the fourth item, that is simply where they employed another firm or man to sell for them. The index key which can be used by some one using the record to ascertain who No. 1 salesman was, and who No. 2 salesman was, etc. is shown in the auditor's work papers only.

With reference to the salary questionnaires, we gave the basic information to Mr. Mudd, who was consulting accountant for the Exchange, and with this information he distributed those questionnaries among the commission [fol. 410] firms and secured the distribution of each individual's or owner's time. On the questionnaire we may

learn who No. 1 was; that is shown on the questionnaire and is also in the working papers. All the forms follow the one I have described; that is the procedure is the same all the way through.

Reference to Firm No. 1, the blue audit for that firm, there was no balance sheet because that firm cleared its business through another firm and the settlement was made either at the end of each week or at the end of the month, so there would be no receivable accounts payable of any kind. They would not have any assets and they would have no liabilities. Where there is no balance sheet the same explanation would apply. With reference to Firm No. 81, the first item is marked "Assets, current" which is the value of things that they have on hand, which are generally called assets.

Under investments we have the item of "stocks"—that is the amount shown on Firm No. 81's book as being invested in various kinds of stock outside the livestock industry. That is not exactly true in every case. We show the nature of the investment in the work sheet and the audit work paper shows the detail of all the investments. "Investment in Stocks"—under that caption we have set up a certain number of dollars as being the value; that is the value for those stocks as shown by the book. Firm No. 81 carries those stocks at that value on their records; this is usually the purchase price or the cost of these bonds at the time they were acquired.

[fol. 411] The blue audit shows the value of furniture and fixtures as it appears on the books of the concern. The caption "Liabilities and Net Worth, Current Proceeds, Total Assets" means the proceeds of livestock picked up on the yards, or the owners of which are unknown at the time and that money is held until the owner is identified or until he presents a claim. "Notes Payable—Other" means money that they have borrowed. The word "other" means other than related strictly to the commission business. In other words, in this particular instance, it represents a loan that they have made from the bank. The money borrowed from the bank was used in the business and should be considered as part of their business, but the classification is used to distinguish between transactions between customers and between others. Under accounts payable "Trade" are items of freight, yardage and items

that arose from strictly trading transactions. The word "officers" and "other" means the amount due to the officers from the firm,—it could be salaries or most anything. The item "Net Worth" is the value as shown on the books. Exhibit A is a balance sheet as of January 1st, at the beginning of the period, and Exhibit B is the balance sheet at the close of the period of December 31. Page 3, called Exhibit C, are items taken from the books without adjustment except where records were out of line.

[fol. 412] We delivered copies of the blue audit to the Secretaries of the two Exchanges, giving two copies of each firm's audit report with a request that they be distributed to the various firms. They were delivered the latter part of February, 1933. I delivered two copies of the audits covering the cooperative firms direct. The work sheets were all used as the basis for the preparation of the blue audit reports.

(Government Exhibit- No. 15, and 15-1, with the numerous sub-numbers, being the working instructions of auditors and the blue audit reports covering each of the firms under investigation was received in evidence, Government Exhibit No. 16, commonly referred to as the work sheets, supporting the blue audit reports, was received in evidence.)

Mr. Andrew A. Olson, a witness called by the Government, testified as follows:

Direct examination:

I reside in Chicago, Illinois and am Secretary of the Traders Live Stock Exchange and have been so employed for ten years. The Exchange (Traders) was organized with a view to promote and protect the interest of the members of this Exchange (Traders) and all others concerned in the buying and selling of live stock at the Union Stock Yards, in the City of Chicago, to establish uniformity in the customs and usages of trade at said market, to simplify busi- [fol. 413] ness transactions, to give responsibility and good credit to the members of this Exchange, to inculcate and enforce correct and high moral principles in the transaction of business among its members, and also to inspire

confidence in the minds of all persons, not members of this Exchange, in the business methods and integrity of the members of this Exchange in their dealings in this market, the members of the Chicago Traders Live Stock Exchange have adopted these rules and by-laws. The Traders Live Stock Exchange is incorporated under the laws of the State of Illinois.

Mr. Michael Joseph Sheridan, a witness called by the Government, testified as follows:

Direct examination:

I live in Chicago, Illinois, and am employed at the Union Stock Yards Company as a live stock handler, work for anyone who needs my service doing what is called extra yard work, driving livestock about the stockyards from the unloading chutes to the pens of the commission firms or from commission firms' pens to scales. Am paid $10.00 a day for a full day when I work and have been employed about the stockyards for about 20 years. The work that I do is called "tripper" or extra man. Stand around the Bulletin Board near the unloading chutes until someone needs my services. The longest distance from the unloading chutes to the pens of commission firms would be about three quarters of a mile. Handle cattle and hogs only, ar- [fol. 414] riving either by rail or truck. In driving cattle or hogs from the unloading chutes to the pens of the commission firms, they would be driven over a dock which is an overhead viaduct used for the purpose of driving cattle from the chutes to the pens of the commission firms, and if the docks were clear, not being used by other commission firms in the handling of cattle, or hogs, it takes from the chutes to the pens of the Producers Commission Company, about three-quarters of a mile,—about 45 minutes. In doing this I might have the assistance of a man or might not. The docks are equipped with gates at intervals and livestock is moved from gate to gate much the same as in the case of boats going through locks in a canal. The livestock is handled so as to prevent them from coming into contact with other livestock and becoming mixed. If, in one car, there arrived four bunches of cattle owned by four differ-

ent men, there being five cattle to a bunch, but all consigned to one commission man, and the commission man employed me to drive the four bunches, they generally have marks identifying each owner's cattle, or they have clips for that purpose, in which case all the cattle are taken over to the commission men's pens at one time, but if they are not marked for identification, the four bunches are taken separately unless the shipper is present and he can pick them out when they reach the commission men's pens. If they were not marked for identification or could not be separated for ownership at the pens, the four bunches would have to be driven separately and treated as four separate [fol. 415] carloads from a driving standpoint. If the shipment consisted of cattle and hogs, I would have to take the cattle separately to the pens, and the hogs separately to the pens. The stockyards company generally yards all the sheep which arrive at the Stockyards. Between the hours of six and nine o'clock in the morning, with receipts of about 18,000 head of cattle, it would take about two hours to drive cattle from the unloading chutes to the Producers' pens, and if the docks were clear, it would take around 45 minutes. It would not take much longer to drive four loads than one load if they did not have to be kept separate. It would take about one and a half hours with the docks clear if the four loads had to be kept separate as to ownership.

It would take ten or fifteen minutes to drive cattle from the unloading chutes to the pens of the National Commission Co. which pens are close to the unloading docks on Platform 9 or 10.

I am paid $1.50 a trip whether I drive one animal or one load of animals, a short distance or a long distance from the chutes.

Mr. V. G. Cranston, a witness called by the Government, testified as follows:

Direct examination:

I live in Chicago and am manager of the Stock Yards Clearing House, and have been so employed since March, [fol. 416] 1911. I supply messenger service, deliver weights

of live stock to commission firms, and collect for the same. The messenger boys go around to the commission firms and pick up the bills, present the bills to the purchaser, collect the money or check for the same and return them to the offices of the commission firms.

All commission firms, traders and buyers, order buyers and packers use this service on the basis of about $10.00 per month. Messengers make about fifteen to seventeen trips a day to the offices of the subscribers to this service for the purpose of picking up bills and returning checks. Maintain no permanent record of the business which passes through the Clearing House. The majority of the business is handled through the Clearing House, after two o'clock. The bulk of the checks are not returned in time for deposit on the day of sale.

Mr. Cory C. Wood, a witness called by the Government, testified as follows:

I operate a livestock checking service. We get the record of the train number, the platform, the railroad, and if the train has been called from what we call the pulpit over there, as they call the waybills, one after another, we designate the time, otherwise, it is written from the bills of the Yard Company, copied from these waybills by six o'clock in the morning. In addition to the original part of the card, as described, we have the shippers name and his car num- [fol. 417] ber, and we designate the chute that the stock is unloaded in and the number of head of cattle, hogs and sheep, and cripples and dead that have come out of that car. The card is then distributed to the box which is somewhat like a postoffice, and the yard boys come in and if there is a mixed load of cattle and hogs in one car, one man might sign for the cattle at the top, and the next man that comes in and sees that the hogs are not moved, would sign his name there and the yard boys then drive the live stock to the pens.

This card is used to inform the yard employees of the various firms what live stock has been unloaded and where it may be found, and when it is taken charge of by one employee, he signs the card in order to prevent duplication

of effort and to allow livestock to be promptly moved from the unloading chutes to the sales pens. I have been performing this service for fifteen years and only four or five firms in the entire stockyard do not avail themselves of this service. My charge is paid on the basis of the volume of business handled for each firm.

Mr. John Thomas Griffin, a witness called by the Government, testified as follows:

Direct examination:

I reside at 4229 Lowe Avenue in Chicago and am a super-
[fol. 418] visor of weighing for the Union Stock Yards Company and have been so employed for six years. Various commission firms and traders pay me for the service which I perform. Not all of the commission firms or traders use my service; they pay from $3.00 to $5.00 per week. I have been working at the stockyards for 21 years as yardman and have been working as weighing supervisor for six years. It is my duty to see that the scale is balanced properly and to help sort the hogs or grade them as they go on the scales. I allot turns to the employees of various commission firms as to the time they may weigh. Ordinarily I call to the firms, first come first served, or if they are real busy I use an alphabetical system and call the firms in alphabetical order, and allow each firm to weigh eight drafts on the large scale and 20 drafts on the small scale. This allows every firm the same opportunity to weigh the same amount of hogs, it avoids arguments and keep things moving in harmony.

Cross-examination:

The work which I perform facilitates the movement of livestock over the scales, prevents delays in alleys and shrinkages and things of that sort that grow out of delay in weighing. I am registered under the Packers and Stockyards Act as "Supervisor of Weighing."

[fol. 419] Mr. Gene McAdams, a witness called by the Government testified as follows:

Direct examination:

I reside in Chicago, Illinois, and am a cattle salesman for John Clay & Co. and have been employed for over 21 years; started in as a messenger boy, did a little office work, yard work. Did general work for about two years; the next step was sorting cattle; worked in the butcher department, branding department, fat cattle department and feeder department and was brought up in the cattle business under the men in charge of these various departments. I have sorted and shipped cattle, bought a few cattle, for about five or six years; after that I bought and shipped cattle for the firm, did the actual buying on orders for John Clay & Co. for their customers, and then for a time, about thirty days out of each year, I would assist in selling. In the years 1922 and 1923, I had two cattle buyers working under me filling orders. After I had trained men under me who could displace me in buying cattle, I began in the selling end. I have been selling cattle exclusively for eleven years at Chicago for John Clay & Co. I sold butcher stuff off and on up until 1922 and began selling steers regularly in 1922. Butcher stuff consists of she-stuff, cows or heifers. On the Chicago market the steer salesmen do not as a rule sell fat heifers, although there are times when fat heifers sell for a higher price than fat steers. Calves are classified by themselves.

[ol. 420] In classing cattle as a salesman, I have feeder cattle, several different kinds of bulls, veal calves, stock calves, different grades and weights of fat steers, different classes of yearlings; also have different classes of cows. There are many days when cattle receipts will run as many different ways as classes that it is hard to put one man on just one class of cattle. I have four to five cattle salesmen. I am what is known as a steer salesman and act as the head salesman, and I and another salesman spend all of our time selling steers. There is another man who assists in selling steers. This third salesman is a fiill-in man and is used wherever he is needed. He could be, if necessary, used as a yardman. We have a head butcher man and we have his assistants. This man acts in the capacity of head of the butcher department, selling and directing the selling of butcher stuff. Man Number 5, shown on the blue audit, is a fill-in man to assist either the steer alley or the butcher

alley; the two butcher men sell the butcher stuff;—cows, heifers or calves. Bulls could be sold by either one of the butcher salesmen or the man we use to fill in. The receipts to be sorted by all of the salesmen, butcher stuff, is handled and sold in the butcher alley. Stock steers would be sold either in the steer alley or the butcher alley, and stock calves would be handled in the same way. The four or five salesmen will pass judgment on a particular lot of cattle as to which division they should be sold in. I have been on [fol. 421] the Chicago Stockyards for approximately seven years. In general selling, there has been quite a change in recent years. In testifying I have reference to the business of John Clay & Co. as I cannot give an intelligent answer regarding the general business of other firms. Compared to seven years ago, there are a lot of cattle received which come in smaller lots than seven years ago. Our larger feeders have either gone out of business or else they have cut the business down to a very much small amount today than seven years ago, and, another thing, we received a fair proportion of our business by truck and some people market a carload of stuff by bringing in four or five head at a time.

If John Clay & Co. could sell straight carloads of cattle in one bunch they could do it much cheaper than trying to sell four or five cattle at a time. Receiving them in that way necessitates much more labor in taking the stuff from the chutes, also selling them, and also in the office, making out accounts of sales and keeping posted and everything else that is connected with the business. Compared with seven or eight years ago, there were more shipped in at one time by one owner than at the present time.

A man who owns several loads of cattle today would rather distribute this stuff over two or three markets, because the owner figures if he gets on a bad market with the whole shipment he is ruined and if he can separate the [fol. 422] shipment out, spread it out, he figures he would have a better average. The range business does not come by truck except in rare cases. Our range business is broken up just as much as our native business because we have shipments where we had 37 head of cattle belonging to 35 or 36 different owners, so you can see that there would be a shipment cut up into that many different lots. People want their stuff to show their own marks because there is not any one man that has the same mark as his neighbor.

Sometimes he wants it sold separately. Back in the early days it used to be in Omaha we would get trains of cattle from one company and today we will get a load of cattle that will have several different owners in it. During the year we had more mixed shipments than we have ever had since being in business. I do not know the largest number of full carload shipments made by one owner at one time during the year 1932. It was necessary to employ trippers to help our yard man. I believe we get more shipments of one car than two car shipments belonging to one owner. The truck business of John Clay & Co. is getting larger each year.

The stocker and feeder buyer start out at 8 o'clock and the fat cattle buyers at 9 o'clock. There is no rule, it is merely a practice. I arrive at the stockyards on some Monday mornings at from 6 to 6:30; in the summer and early fall I come down around 6 o'clock. At 6 o'clock when we come down we meet our shippers, we have telegrams. [fol. 423] The shippers advise how they would like to have their animals fed before they are sold, either corn or alfalfa hay. I get a line on the business that we expect while at the office, then go out into the stockyards and start lining the stuff up, feeding and watering and sorting. Before going to the yards, I send telegrams to prospective shippers what and when to ship. Before coming to the office I have telephone calls from the country wanting to know whether live stock should be shipped for sale on the following day, and I get calls at night seeking advice as to what live stock should be shipped and when to ship it.

The Chicago market provides an outlet for all live stock that has ever been shipped to us. I frequently to hold live stock over. As a general rule live stock does not have to be carried over, but I have held over 850 cattle. The cattle arriving for sale are fed as soon as the Yard Company's wagon comes to the alley to provide the feed. Our employees feed and water the cattle. The owner shipping the livestock must be known at the time of feeding in order that the owner may be charged for the amount received. Our yardmen go to the chutes and receive the livestock from the yard company, look over the livestock to see that it is not bruised and crippled, and keep a record of any damaged animal. They also keep a careful count so as to prevent being charged with more than received. This is a

responsibility assumed by the commission company in receiving live stock.

[fol. 424] Damaged or crippled live stock is sold by the salesman as quickly as possible at the best price obtainable to protect the interest of the shipper. If an animal dies in the sales pen, the rendering company is notified to come and haul it away. After live stock is fed and watered, it is then sorted. Our salesmen sort the live stock and the yardmen hold the gate. The purpose of sorting is to fix the different consignments so they will appeal to the buyer and also sort them in different lots so they will command the highest prices. We sort them in many different ways on different days. It would take me a half day to tell you why I sort a certain drove of cattle a certain way. You don't know what the demand will be. You have got to shape them for demand, for appearance, and for weight. There are so many different things, it would be hard for the average onlooker to know what they are being sorted for.

A load of cattle might arrive that will be so nearly uniform that no sorting will be necessary. I do not know what percent of livestock would not need sorting. The percent would be very small. We sort continually all day long, shaping them for the demand, and we may have one load of cattle in a pen when a buyer comes along and says there are four or five that he will buy in the load. Maybe they are nearly all alike, but still in order to get the most money for them it is advisable to take out the five he will buy. For instance, a load of cattle coming from a grower that [fol. 425] will run all the way from calves to four-year old cattle. We have four calves, four yearlings, four two year olds, four three-year olds and four four-year olds, they may run half steers and half heifers. In order to dispose of that consignment, possibly we have to sort them in about eight or nine different lots, so it depends upon the consignment whether it is a uniform consignment or whether it is a mixed consignment.

Some shippers want live stock cut up in small bunches; some want them sold in one bunch. It is not just to please the salesman, but you have to please the buyer and shipper as well. Shippers frequently give instructions to sell cattle in one bunch, but I will have to give an illustration. I had a man yesterday who had 10 cattle coming through.

He wanted them sold in three bunches, cut into three bunches and bid on three. Then, he wanted me to throw them together and sell them. Then I sold them and he didn't want them to go through and I had to get them back. Then he wanted them divided and wanted them sold that way and I did that and sold them. After they are sorted, they have to be shown before you can sell them. In selling cattle at Chicago, the buyers seek the sellers and the sellers seek the buyers. It is done both ways. If the buyer wants them badly he will hunt up the salesman; and if not, the salesman will hunt up the buyer. That condition de-
[fol. 426] pends on the condition of the market. The witness was asked how he would show an ordinary load of cattle, assuming the weights to be around 1000 to 1200 pounds per head, good to choice, all the same breed—what is called an average market. I would show the load of cattle to every buyer, order buyer and independent buyer on the yards that I could interest. I might show them myself and I might have a couple of other men working on them, showing them also.

I desire to describe a straight load of cattle arriving by rail on the day I am testifying. I had a straight load of cattle, part of them butcher stuff, part of them steers. The cattle were brought from the chutes by our yardmen. I sorted off two head of cows, a couple of heifers and one bull and took off a couple of light steers. I would call it a straight load of cattle from one shipper. He was then asked to describe a straight load of one class of cattle. He said that he had such a load on that day and that they were sorted into three lots and finally sold in two lots. That load consisted of twenty-three head of cattle. I started to show the load about 8:30 and the last of the cattle were sold at about 1:30 P. M. Two other salesmen and I had been working on them, and if we had tried to count up the number of buyers that had been shown that one load of cattle there would probably have been twenty buyers that the animals were shown to. Today the market was considered a slow market for that kind of cattle.

[fol. 427] I had a straight carload of cattle of the same kind and euality shipped by one owner on the day before. This load consisted of cattle that were most attractive, most in demand, the easiest to sell. For that reason I got to the scale first. The first load of such cattle went over the scales

yesterday at 10:30 or a quarter to eleven. I had been working on them all the time. Started to show the cattle before nine o'clock. During this period I had also been working on other cattle but buyers generally were not interested in the others. This one load of cattle interested all the buyers. They were desirable and sold within a dime of the top of the market and the buyers generally were sparring to see who would get them. One salesman gave everyone a chance to buy these cattle before they were sold and they were shown several times before it was decided which man to sell them to and the price to sell them at. I personally had shown the load to four buyers, and am not certain as to the number of buyers our other salesmen had shown them to.

Q. In your judgment, in your opinion, you think it would require an hour and a half to make a sale of one straight carload of cattle.

The Witness: Why, in all fairness to the producers of this load of livestock I think that we should take from one to three hours in selling these cattle and we do not want to overlook the fact that sometimes it takes 11 to 12 months to make a load of cattle, and the shipper comes in here and naturally he does not want his efforts disposed of in 10 [fol. 428] or 15 minutes and he knows we cannot show these cattle to all the buyers on the yards in that length of time, and he naturally wants these cattle to go full route, so that every buyer that might be interested in them will get a chance to look at them and have a chance to buy them, and, I think, in all fairness to everybody concerned, both buyers and the owner, that these cattle should have plenty of time to be shown before selling.

Based upon my experience, I regard the latter transaction as an average or typical transaction. The witness was asked how many bunches of cattle he would be working on at the same time, and the witness said it would depend upon the day, on how many loads of cattle they had for sale and also upon whether or not the buyers would be interested in anything else for sale. If I had five other loads of cattle besides the one described to be sold by our salesmen it would hardly be possible to sell these five loads to the one buyer because the packers will have one buyer buy one class and another buyer another class, and it is not a gen-

eral thing to get five loads from five different parties that will run just alike so that you can interest one buyer in all of them. If it is possible to sell to one packing house, you may be able to, because today they buy them like they buy a lunch; they do not buy them in big bunches as they used to.

[fol. 429] Q. Now, let us assume that you have your five carloads in five different pens, all being of the kind that you sell. We may assume that we will call in the Armour buyer and the Swift buyer, and we will say three other buyers; may they not all be there at one and the same minute, each looking at the kind he himself wants to buy?

A. No.

Q. Just why not?

A. Well, they have a gentlemen's agreement, that when one fellow is in the alley looking, unless he tells them that he is not interested in the balance of the stuff, he has the privilege of going through the different lots. I have had a buyer stay in one pen for as much as one and one-half hours at one time and then not buy the car of cattle.

Q. And it is also true that a buyer has also bought from you, personally, in less than three minutes, is it not?

A. No, I cannot twist them that fast any more at all.

Q. Then I will say five minutes, on an actual sale?

A. No, I don't think I can sell them that fast for several reasons. These shippers do not like the cattle sold to the first man. In order to hold your business, you cannot sell stuff that way. These fellows want to see the whole show when they come here, they want to get everything that is here and they want everybody to have a look at them. Then the cattle look different at different times, these cattle don't look so good in the morning; at noon they might fill up and look better. We have all these things to take into consideration.

There may be only one buyer for a desirable load of cattle even though we may have four or five loads of cattle. As an example: A father and his son shipped in two loads of cattle. One load is billed in the son's name, one in the father's name, both the same kind of cattle. The commission man figured these two loads belonged as they were billed, one to the father and one to the son. Sold one load

on the market after working on them a couple of hours in [fol. 430] a little while. The father came in and was told

"Your boy is a better feeder than you are. I have sold your boy's load of cattle and I cannot get anybody to buy your load of cattle within one-half dollar of the price I sold your boy's for."

This gentleman said:

"Why, those two loads of cattle belonged to me. I billed one load in the boy's name and one in my name so as to get a pass. They are identically the same."

Well, he said:

"I sold that load of cattle to Eddie Hess, and after he bought them he bid me one-half dollar a hundred less on this load of cattle."

Well, this particular commission man worked all day on that load of cattle and then carried them over until the next day and finally sold them. It is not usual to carry cattle over. I have had to carry over several hundred of them many and many a night. We try to sell them the day they arrive, but some days we cannot give them away. I suppose we get 75 to 85 per cent of them sold the first day they arrive if the shipper will let them go. There have been days I have had to hold over 75 per cent. It depends upon the market and the conditions prevailing. I sell all kinds of steers. I sell steers to all buyers that buy the particular class which I have to sell. The number of buyers you would show cattle to would depend upon what class you are discussing. All buyers do not buy cattle every day. There is not a buyer buying steers on the Chicago market who does not at some time buy the class of steers I described as being desirable.

[fol. 431] As to how many there are, it might be a speculator, order buyer, shipper, packer, but they don't all have orders for the same thing the same day. In response to the question—Would there be ten buyers who would want the desirable cattle described? My answer is that I would have to give the number of all the steer buyers in the yards because for a desirable load of cattle, every steer buyer in the yards would be a buyer some day of the week or some

time during the day. If you know how many buyers or packers you have and how many traders and order buyers there are, you will be able to get the number of buyers that would buy that load of cattle. I would not say there were 75, there would possibly be 45 that would buy a desirable load of cattle. I have shown them to more than 40 and did not get them sold. It is also true that I would sometimes sell to the first, second or third in rare cases, not very often.

"Q. Let us get back to this same old proposition and see if we can get it clarified. I have taken this five carlot proposition of being the kind that you would sell on the same day and ask whether you think it would take five times as long to sell five carlots as it does to sell one carlot.

The Witness: It took us from 8 o'clock this morning, we started at 6 o'clock until 2:30 to sell four loads today, if that will give you an idea."

And it took our whole crew to sell the four cars, including myself. It would be heard for me to answer a question as to what is a typical day because no two days are alike. I alone sold four loads of cattle in a day during 1932. I have sold four loads of cattle in 1933 in one day. I have sold [fol. 432] four carloads of cattle different days. In order to determine from the record how many cattle any of the salesmen sold for John Clay & Co. on any particular day it would be necessary to go over the records and figure out which salesmen sold the different lots and the same would apply to 1932.

"Q. Now, is the question clear, that in order for you to find the greatest number of carlots of cattle that you have personally sold in a day, it could be obtained from the records of your company, but it would take months to do it, is that a correct statement?

A. Yes, sir, because we have so many salesmen working on them. We would have to figure out which one finally closed the deal on them. I might in the wind-up close the deal on a load of cattle, and there may have been three of our other men showing these cattle several times, before I finally sold them.

Q. Do you think that question could not be answered?

A. I don't think so.

Q. Without a long search, and you are unable to tell us,

then, for any year in the past seven years, the greatest number of carloads sold in a single day by you?

A. Not since I have been in Chicago. We have not had any large shipments since I have been here.

Q. Can you approximate or state exactly the shortest time in which you have sold one carload of cattle during this calendar year of 1933 or 1932, I am taking it as a sale by you alone?

A. I don't just recollect what would be the shortest time I have taken to sell one car of cattle.

Q. Could you give us the longest time that you have spent on one carlot?

A. One carload alone?

Q. Yes, sir.

[fol. 433] A. Well, I held one lot of cattle 15 days. The shipper told me to hold them until their tails dropped off before he would take that price for them. Then I think we shipped them back home. We did not even sell them. The owner wanted more than they were worth and he felt the buyers were trying to buy them for less than they were worth.

Witness temporarily excused.

Mr. Herman Mack, a witness called by the Government testified as follows:

Direct examination:

I live in Chicago and am cashier for John Clay & Co. Have worked for John Clay for about fifteen years, mostly as cashier. During that time I worked for a year and a half as bill clerk. Before going to work for John Clay, was a railroad clerk. My duties as cashier consist of remitting proceeds of account of sales and of various other things. H. H. Sutherland is office manager for John Clay and Mr. Sutherland's duties are confined to the Chicago branch of the John Clay house. Says that John Clay & Co. maintains other branches in other cities. I have four employees working directly under my supervision. Peter Marriott is a bookkeeper, William Powers, bill clerk; Charles Gasser, bill clerk; and George Moore, Collection clerk. I look after

various things, including remitting on account of sales the proceeds to the shippers, looking over bank accounts, figuring tickets, answering correspondence. I have nothing to [fol. 434] do with the advertising policy of the concern. Mr. Marriott is the bookkeeper, and is employed to keep books and make up purchase bills, invoices, write checks for proceeds. The bill clerks do the billing, write up the freight, check the freight and yardage and feed accounts, and so forth. The collection clerk gets in the collections and writes them up. The collections cover the sales made to packers and other individuals.

The office hours for my employees and myself start at 8 o'clock and sometimes run between nine and ten o'clock at night, but on the longest days we work past midnight, but we never get off before six o'clock in the evening; we work until ten or eleven o'clock two days a week, probably eight or nine two days a week, and probably get out the other days around six.

Mr. Harold Summ[illegible]s, a witness called by the Government testified as follows:

Direct examination:

I reside at 8156 Kingston Avenue, Chicago, and am butcher salesman for John Clay & Co. at Chicago. Began working with John Clay & Co. about thirteen and one half years ago as a yard man. Worked as yard man for three and a half years, after that went inspecting live stock loans for John Clay & Co. for about a year and a half. Then went [fol. 435] to Omaha buying feeder cattle and was there about three years. Was at St. Paul buying feeder cattle for six months and have been in Chicago for about six years. John Clay & Co. has four and sometimes five cattle salesmen including myself. The extra salesman's name is Johnson. Johnson sells a few odd steers and buys a few cattle. I would class him as sort of an assistant salesman. The amount of time that he would spend in selling is the unusual day,—not every day. I would say that he sells more than one day a week. Mr. Johnson sells a few odd steers, —odd in number, one or two head. Butcher stuff covers all she-stuff, bulls and calves, but would not include steers. Would include stockers and feeders in the she-line.

In the first place, a cattle salesman has to know livestock,—the different grades of cattle,—and he must know how to sort cattle. He must know how to trade. By trading I mean actual selling. I would say that a man in order to become a salesman, ought to spend at least three or four years in the yards as a yardman, or as a salesman; and he must know the correct time that cattle ought to be watered, fed and made ready for the buyers, whether he thinks it is going to be a good market or going to be a slow market. That is a sort of brief resumé of about what I think a salesman should do.

John Clay has two steer salesmen and two butcher salesmen. The steer salesmen are McAdams and White, the [fol. 436] butcher salesmen, the witness and DuPlan. A straight load of butcher stuff would have to be sorted into anything between 8 and 12 bunches. Taking thirty head of cattle, and ten head of calves in one load, I would first sort off the calves and then sort off the bulls; then the cows would have to be sorted up according to flesh and according to weight. As to flesh, they would be sorted as to whether they were thin or fat,—or whether they were good for feeding purposes, and in the latter case they would be classed as feeders. We would also grade for quality and weight. As to the ten calves, they would have to be sorted, the veal calves would have to be sorted from the feeders, if there were any feeder calves in the consignment. Then we would have to sort the light veals from the heavy veals. In straight veal calves, a carload, you would have to sort off the best veals, then the good grade of veal, and then any plain calves which might be in the load. There would be at least four sorts on them.

I had some livestock to sell yesterday. I arrived at the office at 6:30 and went to the alley about ten minutes to seven. I went into our butcher alley and yarded butcher stuff that we had, then when the yardmen came over about ten or fifteen minutes after seven, started sorting the butcher stuff. The cattle were in the alley, but not in the particular pens when I arrived at the salespen. The sorting took a considerable time,—then the cattle had to be watered before they were sold, then I started showing the [fol. 437] cattle and later on sold them. The yardmen hold the gate but do not sort the cattle. The day before John Clay & Co. had two loads of butcher stuff made up of cows,

heifers, bulls and calves. The first load sorted consisted of calves, bulls and heifers, and everything in the butcher line. Each kind was put into a pen by itself. The calves were sorted two different ways as to flesh, then the thin calves were taken off. There were ten calves in one bunch and six in the other. We then took out the bulls. There were two bulls. The bulls were sold separately. The next class we took were the thin cows. There were four in one bunch and three in the other. In addition we had several truck shipments. We received four truck loads the day before. There were three in two trucks and four in the two others. There were three thin cows in one truck which required no sorting. There were also four thin cows in another truck. We sorted these into two bunches. They were different kinds of cows. The other two trucks were yearlings, three in one truck and four in the other. They did not require sorting. They were of good quality and in good flesh. The market yesterday was slow.

In selling cattle I know the prices of the previous day and price cattle higher the next day hoping the market will be higher. What I accept for cattle would depend on the receipts on the yards and other markets. Usually I know [fol. 438] the receipts on the yards and other markets. I know the receipts at other markets before sales are actually made; the seller always prices the cattle to the buyer.

John Clay & Co. has approximately 50 pens that are used for the yarding of cows, and butcher stuff. I use five to twelve pens for yarding calves. The majority of western calves are usually sold as feeders. For shipping calves I use approximately 8 or 9 pens, depending upon the day.

In selling shipping calves, it depends upon the day, the kind of market and whether the buyer seeks the seller or the seller seeks the buyer. If the market is very active, the salesman usually tries two or three buyers out, probably four, before calves are sold. It is a rule that only one buyer is permitted to look at livestock at the same time at Chicago, that is, of the kind that is traded on by that one man. Buyers usually look at all of the animals they are interested in before they make an offer or a bid on the ones that they want. It would take fifteen minutes to show one buyer one pen of calves. It is not usual to have one buyer coming in right after the other. It might be an hour or a half hour apart. We have three buyers for packer calves,

the three big buyers, but Armour & Company buy most of the calves. Ordinarily the big packers come through the alley some time during the morning. In a case where it is a very bad market, we have to go out and find the buyers. It [fol. 439] is not the general rule for us to seek out the buyers, I mean every day. In showing four pens of calves, if the first packer buyer that looks at them makes a bid and it is accepted, the bid is final, but it is very seldom that we accept the first bid from the packer buyer. He usually bids on each pen as he goes along. If he only wanted two pens and makes a bid on the first two, he would not make a bid on the remaining two. And it is the same thing with the city butcher.

Feeder calves are sold a little different than veal calves because we usually have a large number of country buyers buying feeder calves. By country buyers, I mean the actual farmer. I do not remember how many calves I sold farmers direct.

To show four pens of calves to one feeder buyer, if he is interested in buying calves and is bidding on all four pens, it might take an hour to an hour and a half. It depends on whether or not he is interested. If not interested, it may take fifteen minutes or thirty minutes. If the market is slow we usually have to go and look for these feeder buyers. If it is active, you usually find them coming around the alley every little while. I would say there are eight or nine city butchers that would be buying from me. Whichever buyer comes along I would show him the calves, the kind of calves that he would buy.

[fol. 440] To sell the calves consigned to the John Clay firm there is one more butcher salesman besides myself that also sells butcher cattle. We do not show cattle to but one buyer at a time. As long as one buyer is trading on a pen of cattle, we do not show them to any other potential buyer. We had 25 calves consigned to us on Monday; it is not a small run for this time of year. It is very light in the fall because we handle a very large number of range calves in the fall of the year.

We had about 20 loads of butcher stuff run a little better than a third of a car, about 35 to the car, which would be about 700 head. Given a copy of the actual account sales covering transactions from Monday's business, and after examining the-, I would say that it looks like my statement

is probably large on that; it looks like around 400 head or a little better. There were about ten loads of straight yearling heifers and the balance was made up of cows and a few bulls. Yearling heifers run about 25 head to the car. I sold about half of them and the butcher salesman sold the other half. The last sale was made at ten minutes to three in the afternoon. The other salesman made his last sale about the same time.

Before the sale can be made, the salesman has to know the actual worth of the cattle, and in that way must determine in his own mind whether to accept the offer or to hold for a better price.

[fol. 441] I do country soliciting and go out the latter part of the week, mostly Friday morning and occasionally Thursday afternoon, and come back Saturday night as a rule. All of the salesmen for John Clay & Co. solicit, but they would not be all out at the same time, there is always at least one steer salesman and one butcher salesman at the stockyards. In cattle there is usually a five day market, although some cattle are sold on Saturday morning,—very few, however. There are different buyers for different grades of cattle and the packer buyers look only at the kind and quality of live stock that they specialize in. The packer buyers for the large packers are divided up among the various divisions of the Chicago yards, and the sales pens for cattle are separate from hogs, and butcher stock is kept separate from steers. It takes about 20 minutes to drive cattle from the truck division to the butcher pens of John Clay. The buyers prefer to buy cattle that have been shipped by rail rather than those which have been trucked in. Rail cattle dress better than those that have arrived by truck.

If the buyer thinks the cattle offered to them are "seconds", sometimes they won't purchase them. They figure they are probably poor or something like that. The dressing percentage is not the same. We let the packers use their own judgment whether they are "seconds" or fresh cattle. Packers ask occasionally and in that case the [fol. 442] facts are always given to the packer. When the facts are given that the cattle are "seconds", occasionally it happens that the packers may be less interested, but not very often. I would not say that it takes a greater length of time to sell a given number of traders' stuff than it does

first hand live stock, all other things being equal. Whether you would sell it quickly depends on the market.

"Q. Now, we have assumed it is done the same day?

A. I think you will find that you can sell traders' cattle practically the same, lots of times, as you can the fresh cattle.

Q. That is an unusual condition, is it not?

A. Well, it is unusual, yes."

I cannot tell the greatest number of trader cattle that I had sold in a single day during 1932 or 1933. I believe that the largest number of trader cattle I sold in one day would be about 65 head. I could not give exact figures as to the number of fresh cattle I sold in a day. It is only natural that an individual sell more cattle in the fall of the year than he does at the season about which I am testifying. There are several Mondays of big days in the fall of the year when we are liable to have thirty or forty loads of butcher stuff and I may sell, personally, about half of those. Then again, I may sell less than half. It all [fol. 443] depends upon what kind of a market. Some of the but-her stuff comes from the corn belt and some from the range country in the fall. I would say that it runs about half and half. I have never sold fat steers for John Clay & Co. Canners and cutters are just like any other kind of butcher stuff,—sometimes they are hard to sell and some days they are easy to sell. There is usually a little better demand for canners and cutters over a period of time than for other classes of cattle. Sometimes they are easier to sell than fat cattle; it depends upon whether the market is good or bad. On a bad market, having all kinds of cattle, it would be easier to sell canners and cutters than it would any other class. There is more sorting and handling of calves and other classes of cows than there is to canners and cutters as a rule. It depends upon whether the market demand is for heavy cutters or light cutters, or heavy canners or light canners. We would sort them accordingly. I cannot tell correctly the number of bull buyers at the Chicago market. Order buyers, packer buyers and yard traders buy bulls. They are sold to packers in small lots. Any of the big or small packers will buy bulls. In the fall of the year when range cattle are coming, we may receive 30 bulls in a day. As to whether bulls

are classed as being difficult to sell or easy to sell, that depends on the market. Lots of times there is a good demand for bologna bulls and not for fat bulls, or it might be the other way around. Usually I sell the bulls that [fol. 444] arrive each day. There is no one buyer on the yards that takes more of the bulls than another buyer.

"Q. Now, Mr. Summers, I would like to ask you this: Take in the butcher stuff that comes to you, I want you to assume now that you have just all that you can handle, I am not interested in what you actually do handle, but what you can handle, assuming that you had all that you could sell. I am going to consider now the days as they run throughout the year, good days and bad days, rain and snow, heat and cold, slow and fast; in your opinion, how many carloads could you sell. Now is the question clear, or will you have it read to the witness after counsel's objection is considered.

Mr. Boyd: I object to the question; first, on the ground that it is incompetent, irrevelant and immaterial, that counsel now seeks to procure from this witness an estimate as to his capacity, without reference to the day of the year, the condition of the market, the presence of buyers, the assistance that he will have in the handling of his cattle. He says he has four salesmen, whether or not there is a bank moratorium in existence, whether or not the various conditions—the witness testified that there is not a typical day in the marketing of cattle at Chicago—no two days alike, I think was his statement; that to procure an answer from this witness would be of no value whatever in fixing a rate, and that it is the evident intention, based upon past experience of counsel, to attempt to get from this witness a statement as to his maximum capacity under the most favorable circumstances perhaps, and then use it as the capacity that he should have in order to become an efficient cattle salesman, and, upon that kind of a computation ultimately to arrive at what should be the proportion of the compensation received by salesmen, in order to arrive at an item of salesmanship, and I protest against this witness being permitted to answer that question, if he can answer such a question. I submit that the question is not susceptible of a fair answer.

[fol. 445] Mr. O'Bryan: I wish to adopt Mr. Boyd's ob-

jection, and, further, object on the ground that it is based on assumptions which the evidence already in this record shows do not, cannot and will not exist at the Chicago market, and that — is absolutely irrelevant and immaterial for this record to show an opinion of a witness as to facts which cannot, do not and will not exist.

Mr. Miles: Will the reporter read the question?

(Whereupon the question was read by the reporter as follows:)

Now, Mr. Summers, I would like to ask you this: take in the butcher stuff that comes to you, I want you to assume now that you have just all that you can handle, I am not interested in what you actually do handle, but what you can handle, assuming that you had all that you could sell. I am going to consider now the days as they run throughout the year, goods days, and bad days, rain and snow, heat and cold, slow and fast; in your opinion, how many carloads could you sell?

Mr. Miles: —*in a year*

(Continuing.) I recognize now that the time, 'in a year' was not the question, and hence Mr. Boyd's objection in part, that I was limiting that to a particular day was valid and well taken. The other objection, that a part of it was based upon the fact that a single day was used, now, that the question has been amended correctly to read, 'in a year's time' and since the question involves conditions as they exist over the period of one year, I submit that the question is fair.

Mr. O'Bryan: I wish to make the same objection to that further objection that it is impossible for the witness to answer the question unless he is able to know, of his own knowledge, as a fact, all of the conditions which existed day by day during the year.

Mr. Boyd: Do I understand, Mr. Miles, that the year that you refer to projects itself into the future, or is the past year,—is that any given year? Is the witness to unlike to know what that is. You say 'during a year'.

Mr. Miles: We will permit the witness to project himself derstand, so that I may raise further objection, I would into the future.

[fol. 446] Mr. Boyd: Now, if the witness is dealing with the future, I submit that this witness, nor no other witness

can attempt to estimate the receipts of his firm or any other firm, the receipts at this market or any other market, the prices, the tendencies of buyers, under conditions that have been changing as rapidly as they have in the past three months, and that it would be utterly impossible, it would be the rankest sort of a guess, could not serve any useful purpose whatever. Now, I have no idea what the witness is going to answer or what he is about to say, but I submit to the Examiner that it is not a fair question to ask this man what he can do in a year when it presupposes, as it does, an average of conditions that there is no prophet existing could give you.

Mr. Miles: Now, Mr. Examiner, the counselor has injected into this a statement that the witness cannot know with reference to receipts. I submit that is not material. I am assuming that the receipts are here in unlimited quantities.

Mr. Boyd: He assumes a condition that has not and will not prevail.

Mr. Miles: I will state further that it is not material whether they prevail or not in view of the law laid down in the Omaha rate decision.

Mr. O'Bryan: Will you also state for the purpose of the record what your hypothesis is about the demands for those receipts?

Mr. Miles: That is not at all material, sir.

Mr. O'Bryan: You mean to say that it is your opinion that the demand on the market does not fix the time it takes to sell a load of livestock? Is that what I understand you to mean?

Mr. Miles: The question is clear; it speaks for itself. I do not know how to clarify it. The question has been asked in every rate case, it was asked in the Omaha case, and no objection was found by the Supreme Court.

[fol. 447] Mr. O'Bryan: Well, past precedents are sometimes pernicious.

Mr. Miles: But rarely in the Supreme Court.

Mr. O'Bryan: Maybe the Supreme Court will see it in a different way.

Mr. Boyd: What is the ruling?

The Examiner: Anything further from either counsel?

Mr. Miles: I want to emphasize again to this witness that I suggested and requested that conditions be taken as

you find them. You will find a good day and a bad day on your past year, your past two or three years; you will find what we may call all sorts of conditions. I want you to consider those conditions.

Mr. O'Bryan: Let me ask the witness one question before he answers the hypothetical question. Isn't it a fact that if you had an unlimited supply, that is, all the cattle on hand that you wanted, and that you had an unlimited demand and a low price, that it would follow, as a matter of economics and a matter of course, that there would be no selling effort whatever required? In other words, if your demand was greater than your supply and you were giving away your cattle at a price which would make it profitable for the buyer to buy and slaughter those cattle, you would not have to have any selling effort, would you, you would have to shoo the buyers away?

The Witness: You would not need any salesman.

Mr. O'Bryan: No.

The Examiner: Anything further on the question pending. Objection overruled.

Mr. Miles: Do you want the question read to you, Mr. Summers?

A. No, I think I understand it.

Mr. Miles: All right.

A. I think that is rather a hard question to answer. You take and consider, especially in a butcher salesman, the [fol. 448] amount of time that it takes to sort these cattle, especially during the fall months when you are receiving a large supply of range cattle. It may take even four hours to sort up the cattle and get them ready for the buyers, and, after these cattle are sorted up, they have to be shown and priced, and, in lots of cases, especially during a Monday when you get large receipts, the cattle are held over to the next day. It would be very hard for me to determine just how many carloads of cattle I could sell over a period of a year.

Mr. Miles (continuing): Well, Mr. Summers, I would like to follow the example of the opposing counsel and testify a little myself, that I think that you are as good a salesman, have as keen an intellect and as bright as they find on other yards. You would not dispute me on that,

would you? Now, if the question has been answered on all of the yards, do you not believe that you could answer it?

Mr. Boyd: I object to that question, as to what other witnesses may have testified to on other yards. They probably testified at other times, without recognition of the fact that it was of such grave importance to the welfare of themselves and to their children; that the use that was put to the answer to that question was of such grave import, and, in answering the question, they did not expect that the answer would be used in the way it was used. I will agree with counsel that there have been answers to those questions, but I submit that this witness has given you as good an answer as you perhaps were entitled to.

Mr. Miles: I regret that Mr. Boyd, distinguished counsel as he is, should have made his objection on the ground that when other witnesses testify to what they believe the fact, that they did not know the importance of the question. I trust that counselor did not mean any reflection upon those who testified, but no other inference is possible.

Mr. Boyd: Well, in one or two instances, I think that the witness probably did not reflect the exact facts concerning what they had done, so far as,—in other words, they did not exercise any judgment in the answer to the question.

Mr. O'Bryan: Not having heard any of the other witnesses testify and having heard the question and having heard the witness' answer to the question in this case, I say that it was the only possible answer and that certainly any witness who attempted to give an answer to that question was running pretty far afield.

[fol. 449] Mr. Miles: Mr. Examiner, it seems to me that the witness is best qualified to tell as to what he can testify. Now, counsel has suggested several times that the witness cannot, even before the witness himself made such a statement, if indeed he would have made it, it may be——

Mr. Boyd: It is quite evident, Mr. Miles, in view of the answer that he has made before, has not paid any attention to my objection anyway. I objected to this question before and he answered the question. I do not think the objection could be regarded as attempting to indicate what this witness may testify to. I am sure he is going to tell the truth but I say that an answer to that question would not be of any value anyway in view of the objection I previously made to the question.

Mr. O'Bryan: I submit that Government counsel has received an answer to his question, and a very definite and very proper answer, which simply sets up conditions and states that it is impossible to give any given number, which is quite correct in my opinion.

Mr. Miles: Mr. Examiner, there are just so many answers to the objection that I would not take your time. Will the reporter read the question to the witness?

(Whereupon the question was read.)

Mr. Boyd: And, I think it fair to say to the witness that there were witnesses that could not answer it at other yards.

Mr. Miles: I would like to change the "could not" into a "would not".

Mr. Boyd: Would not or could not or did not.

The Examiner: All right, sir, that question will be amended that way. I think they have got all of it in there that at some yards they could not, would not or did not.

Mr. Miles (continuing): Mr. Summers, I will ask you this: Do you not believe that the salesmen on the Chicago Yards, taking by and large, are the equal in industry, intelligence, honesty, everything that goes to make up a salesman, if they do not rate as high on the Chicago yards as they do on the other yards with which you are familiar?

A. Yes, sir, every bit as high.

[fol. 450] Q. Mr. Summers, on other yards, the similar question has been asked, has been answered a great many times over the very similar objection by our present opposing counsel, Mr. Boyd. Do you not believe that you could answer the question under the assumptions made?

Mr. Boyd: Taking the conditions as they find them, taking all the livestock that is of the kind that this witness handles, taking all that he could sell, how many, in his judgment, could he sell in a year?

* * * * * * *

Mr. Boyd (continuing): I would like to add the objection that whether or not I have objected to the same question is not material. I am going to object as long as I have got breath to a question of that sort. I think it is not a proper question, I think it has no probative value, I think that in

order to arrive at rates to find out from this witness what he thinks he may be able to do under conditions that no man under the canopy of heaven can tell what they will be, is not asking the witness to take into consideration a proper state of circumstances, nor does it furnish information that should be set out under any rule as a basis for a hypothetical question.

* * * * * * *

The Witness: Well, I may not be able to answer you correctly. If I did answer it, it would be only guess-work.

Mr. Miles (continuing): And is that the only answer that you think you can make?

A. Well, I think there is a limit to every man's endurance.

Q. And a limit to what he can sell?

A. And a limit to what he can sell in a day, especially when he has had much sorting in butcher stuff to do before he sells these cattle.

Q. Can you tell us just where that limit is?

[fol. 451] —. If you will look back at the figures of last Monday which you asked me about some time ago, you will find I said that we had approximately 400 butcher stuff last Monday which would run to about 18 or 19 carloads. It took the two of us to sell this butcher stuff and it took us all day to sort and sell it and when I say "all day" I mean from 6:30 in the morning until 3 o'clock in the afternoon when the market is over.

Whereupon the witness was temporarily excused.

Mr. Herman W. Mack, a witness called by the Government, having previously testified, continued as follows:

Redirect examination:

The only difference between the length of time it would take to make out an account sales covering the traders transactions and one covering a country transaction was figuring the freight charge. There are a few other items that would have to be taken into consideration in making out the country account sale that would not have to be handled in the case of the traders account sales. In the

10497 account sales made out by John Clay & Co. office force, some were comparatively simple, some were complex.

[fol. 452] Recross-examination:

The scale ticket is the best means of determining the relative time devoted to the preparation of account sales, and referring to Exhibit 15-18, schedule 1, in the case of carloads, the Government exhibit shows that there were about four drafts to each carload.

In the case of Mixed No. 1 there were seven drafts per account sales; in case of Mixed No. 2 about four drafts per account sale; in the case of trucks about two drafts per account sale; and in the case of traders about two drafts for each account sale.

Redirect examination:

One scale ticket represented one weight draft of live stock.

Roy Alvin Keys, a witness called by the Government, testified as follows:

Direct examination:

I reside at 8014 South Sangamon Street, Chicago, and am a livestock broker, doing business at Chicago stockyards. I have been engaged in business at Chicago stockyards for about 18 years, as a livestock broker. If we have a speculator that puts up a margin, we finance and handle all the [fol. 453] transactions outside of purchasing of livestock; and that represents all of our activities; financing traders. We do the bookkeeping service for the traders. Furnish locker room and office space. When a trader engaging in business wants to be cleared by me all his transactions guaranteed by me,—he has to make himself known and have a reputation. After he has made arrangements to trade, or for me to clear him, his first action would be to buy livestock. I act for traders in cattle of all kinds, and for traders in hogs and in sheep. We do not act for commission men. We give a bond to guarantee the proceeds. We have an emergency case where we are connected with a commission man. In the case of the commission firm I have business

transactions with in connection with my business, the commission firm is required to have a bond by the Exchange and by the Government, but that unfortunately his money is in a bank that is closed, and until the bank question is settled he works under my bond. He handles his business as he always did other than the bonding.

When a trader buys livestock from a commission man, the commission man bills me direct for the value of the livestock. Any expense that is incurred in connection with the livestock while in the traders' hands, such as feed, is billed direct to me. At the end of a given time the trader will make a sale of his livestock, either direct or indirect through someone. The trader cannot in such cases weigh them from himself. They would be weighed in his name on our account [fol. 454] as the commission man would remit to me. I require a cash deposit to guarantee me against the traders' losses and the amount of the livestock that he handles would form the basis as to the amount. If he only handled $1,000 worth of livestock a week, he would hardly be in business. We require margin according to the amount of business done by the trader. We charge the traders fifteen cents a head for cattle, five cents a head for hogs, and $1.50 a load for hogs, and 2¢ a head for sheep. And in that charge is included all the compensation for all the services rendered by me to the trader; he has office room with me, I do his bookkeeping. There are about 50 traders that I actually do the bookkeeping for at the present time. We use one form for keeping transactions of the different traders. It is a wide sheet that has the purchases on one side and the sales on the other, and that shows the amount that is owing to me, gives the number of head, and the weight of the animal-. If livestock is carried over at the end of the week by the trader unsold, we catch weight on it or have it done by being weighed on the scales of the Stockyards Company. The Traders Exchange handles the blanket insurance, fire insurance, and I collect from the traders clearing through me and remit to the Exchange. While I do not clear commission firms, I clear order buyers, and in my classification, I call them speculators. I clear the business of three or four order buyers. I have two employees in my office, one is a bookkeeper, the other is a comptometer operator. I [fol. 455] render the same service to the order buyers as to the traders, and make the same charge.